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FILE COP

THE SECURITY REVIEW

HAS THE RISE IN THE PRICE OF CAPITAL BEEN ADJUSTED

In the World's Markets—An Era of High-rated Money Likely to Continue—Security Prices Have Discounted it—Appreciation Now More Likely Than Depreciation—Mackays Are Attractive—The C.P.R. Prospects—The Hudson Bay Dividend—Notes on Leading Issues.

During the past six months the security market has been adjusting itself to the increased price of capital. While it was doing so, the decline in values reached exaggerated limits and the process of discounting other unfavorable factors has in a measure been overdone. We have reached an era of high-priced capital that is likely to continue for a term of years. The undeveloped countries of the two hemispheres are offering unlimited fields for the employment of capital. Canadians have appreciated already the great opportunities offered in Latin America and the companies already organizea in Brazil and Mexico are a mere fraction of the corporations which will hereafter be formed. It is estimated that within the next several years South American countries will require a hundred million dollars for constructive works such as railroads, tramways and power plants. Africa is making larger demands for capital outlay every year upon France in the north, upon England in the south and upon Germany in the east and west. Modern transportation is necessary throughout the continent to connect their rich sources of production with the world's markets. Asia is settling down for a long and vigorous campaign of economic unfolding.

According to an interview this week Mr. James J. Hill believes that the necessities for further railroad facilities in the United States will be such that in the near future the people will ask the U. S. Government to assist the roads in obtaining capital for the essential improvements.

The question in relation to the stock markets now arises as to whether the readjustment caused by the advance in the price of capital has been sufficient For the time the opinion might be well hazarded that the liquidation has gone far enough. Over a period of years unless new sources of gold supply are ascertained it would appear that the increased demand will outrun the growth in supply.

For the present every security market at the large centres has suffered so drastic a reaction that a certain improvement in prices is more probable than continued depreciation. The markets have reached the point where professional operators have been selling at very low prices to the investing public. Barring great disasters of which the world has recently had its share, there should now be an appreciating tendency.

In Canada the money market remains unusually strained at this season of the year, but as there is a large balance to be collected by the banks for last year's crop this money should be coming in when it is most needed for this year's harvest. The decline this week in the wheat market has compensated for the previous inflation.

Mackays.

There are developments in the near future that are likely to cause a very considerable advance in the common stock and it looks like an attractive purchase. The new issue of American Telegraph and Telephone paying eight per cent. at par instead of being a hindrance should be an enhancing factor especially as the Mackay trustees have sufficient funds in the treasury to make the payments. The telephone business has been growing enormously in the United States. Much has been said about the great value to the steel trade offered by the advent of the skyscraper. The large office building is quite as valuable a customer to the telephone companies which in this direction alone find themselves unable to supply the office building equipments fast enough.

Bell Telephone Company.

The report of the counsel, Mr. G. F. Shepley, K.C., summing up the evidence in the inquiry, states that in his opinion the tariffs might be modified without doing any real injury to the interests of the Bell Telephone Company. It is unlikely that any great disturbance in rates can be effected. A dividend of eight per cent. on a capital which is without a dollar of water is by no means an improper return and reformers of tariffs should realize that with money commanding higher prices shareholders should receive a proportionate advance in returns. The Bell Telephone Company was never in a stronger position than it is to-day in spite of the large scheme of public telephones unfolded by the Manitoba Government.

Sovereign Bank.

Since Tuesday's meeting and the frank and courageous manner in which a painful situation was met, a feeling of confidence has arisen and there is a great relief to find that the uncertainty is at an end. The Sovereign Bank shares on their present basis can now be regarded as an investment. There have been no transactions and bids of 104 on Thursday on the Toronto Stock Exchange failed to bring out any stock.

C. P. R.

"As the end of the fiscal year of the sels say :

As the end of the fiscal year of the C.P.R. approaches, the market begins to hear discussion of a possible increase in distribution to shareholders from the proceeds of the land sales. It will be recalled that at the last annual meeting the directors' announcement left undetermined the purpose to which the land fund would be devoted. But they announced that the income from that fund would be ample to pay the 1 per cent. declared on the stock for the current year. Meantime the fund has been growing from the sale of land, and the market will now probably be influenced by reports of what may be done at the next meeting in September. Until that event, the policy of the directors is not likely to be announced."

It is not unlikely that by the autumn the shareholders will be demanding a large return in conformity with the higher returns offered by other investments.

Hudson's Bay.

The declaration of a dividend of 65 shillings, making a total return of 85 shillings per share as against 80 last year, brought the usual decline and on Wednesday the shares sold at 89 and at 88½ on Friday. The details of the financial statement are not yet to hand except that the sum of £117,000 is carried forward as compared with £96,000 last year. Bays regularly decline at this period after the dividend is declared and have invariably advanced later on in August and the autumn months.

Sloss-Sheffield.

The Sloss-Sheffield Company presented a most gratifying statement for the quarter ending May 31. Profits were $576,428, a gain of $207,165 over the corresponding quarter last year or about fifty-five per cent. For the half year ending May 31, the profits were $891,767 or $9,637 more than corresponding six months last year. The president, Mr. J. C. Maben, said :

"The Sloss-Sheffield's plant is in excellent shape. Last year we opened a large, thoroughly-equipped coal mine at a cost of $20,000; an additional ore mine which cost more than $100,000, and spent $140,000 for more equipment and machinery at the company's brown ore mines. As a result, we now produce all of the coal, coke and ore which we use and do not have to buy a dollar's worth of any of these materials.

"Our present output is about 30,000 tons of pig iron a month. When two furnaces, now undergoing repairs, are in good shape again, the production will reach about 42,000 tons a month. Labor conditions in the south are improving and railway facilities are also in much better condition. These two factors in the production and shipping of pig iron were the most serious and menacing propositions which confronted us last year."

Toledo Railway Absorbs Gas Company.

The absorption by the Toledo Railway and Light Company of the Toledo Gas, Electric and Heating Company should have an appreciating effect. The shareholders on Monday last confirmed the arrangement and increased the capital stock by $3,000,000.

The terms of agreement for the acquisition of the Gas Company specify that the Railways & Light Company is to guarantee the $2,200,000 outstanding bonds of the Gas Company, of which $2,500,000 are authorized, and to exchange three shares of its stock for four shares of the stock of the Gas Company. The proposed increase of $3,000,000 in the capital stock of the Railways & Light Company, making the total authorized and issued $15,000,000, is for this purpose.

With the acquisition of the Gas Company, the Toledo Railways & Light Company will have absolute control in Toledo of street railways, artificial gas, electric light and power and heating by steam and water. The merging of the two companies should place the Railways & Light Company in a much improved position, not only because of the saving in operating costs, but because the two companies have engaged to some extent in a lighting war, especially as to electric lighting. The Railways & Light Co. was able to supply electricity at the cheaper price, however, and it is largely due to this that the Gas & Electric Co. is now going to be taken over.

The Rio Company.

The Rio de Janeiro Company's first annual statement, dated April, 1907, is not marked for its wealth of detail or figures. The earnings for 1906 are approximated at $5,575,000 gross, $4,010,000 working expenses, net $1,565,000. The earnings for the first three months of 1907 are given and these are expressed as being at the annual rate of $5,583,748 gross, $3,775,000 working expenses, $1,808,748 net. The most striking feature is the decrease in the operating account from 72 per cent. in 1906 to 67 per cent. for February and March 1907. The company has acquired complete control of eight companies including the tramways, mule, electric or steam, and the gas and telephone companies. The tramways now controlled by the company operate three-fourths of the total tramway mileage in Rio. A more extended notice of the report will be given later.

The Grand Trunk has purchased between 25,000 and 30,000 tons of steel rails from the Lackawanna Steel Co., of Buffalo. The Dominion Steel and Lake Superior Companies are so filled with orders that they could not make delivery before the end of the year.

THE SOVEREIGN BANK

A PAINFUL SITUATION MET WITH GREAT COURAGE.

The Fine Spirit of the New Management Reflected by the Shareholders—The Bank Begins Afresh With a Clean Sheet — The Reserve Fund Wiped Out — Capital Reduced 25 Per Cent. — Elements of Strength in the Financial Statement — A Career of Promising Utility Unfolding.

For the first time since its inception the shares of the Sovereign Bank can be recommended as an investment. They are now on that basis. This statement sums up the situation in a nutshell. The courage and frankness with which a painful situation was met by the president, Mr. Aemilius Jarvis, and his chief executive, Mr. F. G. Jemmett, are to be highly commended. It was an easy temptation to present a much more favorable statement than that which appears in another column. Much might have been covered up under that fluid caption "Current Loans." To their credit, the officers took exactly the opposite course. They determined to start the bank in its new career with an absolutely clean sheet. For immediate losses ascertained the sum of $700,655 has been written off; for depreciation in securities, from which every bank all over the world has suffered this year, the sum of $150,607 was appropriated. Off bank premises the amount of $48,109 was written. To provide for bad debts likely to develop in the immediate future the sum of $541,494 has been transferred to a contingent account. To provide for further possible losses $800,000 has been applied to a special contingent account, with the result that the reserve fund of $1,250,000 has been obliterated and the capital of $4,000,000 has been reduced to $3,000,000.

The bank began the current year with a clean slate. It has a large and valuable business, remarkable for the amount of its widely distributed deposits. The bank is worth a good deal more to-day than it was two months ago. The shareholders are undergoing the experience of seeing their holdings reduced by 25 per cent., but at the annual meeting on Tuesday there was not a murmur. The shareholder has every prospect now of seeing his holdings advance in time to a point better than when he bought them at 125. The depositor has the satisfaction of knowing that the bank is on a rock bottom basis and underneath it the double liability of such redoubtable institutions as the Dresdner Bank of Berlin and J. P. Morgan & Co., of New York.

In the special contingent fund of $800,000 lies a very good prospect of the nucleus of a reserve fund. Of this amount the president, at the annual meeting, expressed the hope that $500,000 might be reclaimed in three years' time. Of $150,000 written off securities, market values may recover a considerable portion.

The question naturally arises, how did these large losses occur? The Bank Act prevents any exact statement in regard to individual accounts. In his effort to make a large volume of business the former manager must have accepted large accounts that were not reliable. It is interesting, however, to note that money was made over the Penman Company transaction which has popularly been supposed to have cost the Sovereign Bank a good deal of money.

Having thus clean-breasted the situation, an analysis of the statement of the past year shows many points of strength. The profits were $243,027, equivalent to 8.10 per cent. on the present capital, and quite ample to meet the present dividend of six per cent. They show an increase of $55,560, or nearly 30 per cent. over last year. Deposits, which have been the main feature of the bank, are $14,001,215, or over two millions more than a year ago. Cash has nearly doubled, and now stands close to $1,400,000. Government bonds and securities are nearly double of a year ago, and quick assets, as a whole, show a gain of over a million dollars. Total assets are now $22,522,168, as compared with $18,569,008 on April 30th, 1906.

The Sovereign Bank was established at an opportune time. By a most aggressive plan of exploitation it was able to secure a large amount of business. The genius of a promoter seldom goes hand in hand with the ability of a sound banker. Quantity, rather than quality, was aimed at. When more money was required there was apparently no thought of scrutinizing accounts or of demanding payment from customers for arrears. New capital was obtained. It was a tribute to foreign confidence in the Canadian banking system that the Dresdner Bank, which had been seeking an investment in the Canadian banking field, and the firm of J. P. Morgan & Co. confided over $1,800,000 to the Sovereign Bank in January of last year, and this without an examination of the bank's affairs.

It is with mixed feelings that one views the past career of the Sovereign Bank. It was a fine achievement in the art of exploitation. The first mistake was made several years ago in a departure from sound banking principles, and this canker grew until it resulted in the losses detailed in the statement printed elsewhere in full.

The Sovereign Bank in the past has undoubtedly been of service in offering banking facilities and in inculcating the habit of making deposits and of doing business with a chartered bank in communities not hitherto served. There is every reason to believe that it has a long career of usefulness before it. Its experience should be an object lesson to other new institutions.

The present officers are to be congratulated on the courage and skill with which they have met a difficult situation, the shareholders on the reasonable and calm spirit they have shown, the depositors on the safeguards they now possess and the founder will doubtless be able in future years to look with pride upon the institution which would not have existed but for his energy and talent.

DOMINION TEXTILE.

The Cotton Business on a Sounder Basis After its Ups and Downs.

Montreal, June 14.—The placing of the common stock of the Dominion Textile Company on a five per cent. basis marks an important stride in the industrial life of this country. Thus another trust or monopoly, concerned with one of the world's staples—cotton—registers a success, and out of the confusion and uncertainty that surrounded the individual cotton companies has emerged a great corporation, largely controlling this branch of business, plentifully supplied with capital, and now established on a stable earning basis. Certainly many of the elements of chance have been eliminated from the investment.

The formation of the Textile Company is still fresh in the public mind. On January 4th, 1905, a proposition was made to the shareholders of the Dominion Cotton Company, the Merchants Cotton, the Montmorency Cotton and the Colonial Bleaching Company for an exchange of securities, and after some opposition from the Dominion shareholders the plan was accepted. No doubt the offer of 50 per cent. to the stockholders of the Dominion Cotton Company (this stock had declined below par as low as 26), did not appear a too glittering prospect, but quiet consideration of the company's pressing liabilities to the bank must have assisted the Dominion shareholders in arriving at an affirmative decision.

The Cotton Trust did not absorb the Montreal Cotton Company, which for years has been paying large dividends, and which is believed to have a reserve fund nearly equal to its capital. In addition, it owns a most important water power at Valleyfield, where the mills are situated. The Dominion Textile has, however, acquired a large amount of this company's stock, perhaps one-third of the capital, and now enjoys a representation of three directors on the board, and the policies of the two concerns have, no doubt, been harmonized to their mutual benefit.

The only other important company not included in the textile combination is the Canadian Colored Cotton Company, with its chain of mills in three provinces. The interests of this company do not appear to conflict in any way with the Textile, and, while there is no definite understanding between them, perhaps in time the Colored Cotton will be found within the fold of the larger company.

In the cotton trade, as in the iron and steel trade, there are periods of depression, closely succeeding prosperous time. When Dan Sully, about four years ago, undertook to boost the price of cotton over 20c. per pound, his initial successes were, of course, ultimately converted into failures. Unfortunately, however, many of the cotton companies were forced to buy their raw cotton at high prices and the subsequent severe decline went far towards wiping out the year's profits for many of them. The shareholders of Dominion Cotton, Merchants Cotton and Colored Cotton will remember the causes that led up to the stoppage of dividends on their respective stocks.

Some idea of the prosperity of this branch of business may be gathered from the fact that the Textile Company has in contemplation the erection of another plant in proximity to one of the great water powers of the province. While rival concerns are not greatly to be feared, nevertheless at Cote St. Paul (a suburb of Montreal) and at Three Rivers two new cotton enterprises are growing up under the guidance and at the instigation of two officers of the Textile Company.

A glance at the balance sheet of the Textile Company shows that the liquid assets exceed similar liabilities by over $600,000. The banks, who for years carried the accounts of some of the constituent companies, must have breathed a sigh of relief at the bringing about of this state of affairs.

DOMINION COAL

THE ENORMOUS AREAS LASTING FOR GENERATIONS.

Possibly Fifteen Hundred Million Tons—The English Experts Said Future Generations Would Be Operating the Property—The Difficulties of the Early Years—The Terrific Interest Charges—A Wanton Dividend in 1903—The Losing Contracts.

The technical position of the Dominion Iron and Steel Company's finances, as reviewed in The Post two weeks ago, entirety, although a su mary given close to that corporation to be a fairly comprehensive analysis, and to reflect much of that optimism in which the company's future is regarded by the influential Canadian capitalists who comprise the board of directors.

In the course of the article a passing reference was made to the Dominion Coal Company, which was inspired by the unfortunate rupture now existing between the two big concerns. It was remarked that the Dominion Coal Company's stock is acknowledged to have somewhat of an immediate value from the investors' point of view, the statement not being intended in any way as derogatory to the Steel Company, but to show that the Coal Company has a fund of resources which places its future far beyond the ordinary doubts of the average industrial or mining venture.

So much said, it will be of interest to present the vital elements of the Coal Company's financial standing in a manner which will help present and prospective stockholders of that company to a more intimate association with things as they are.

In all mining properties, whether silver, copper, gold, nickel, graphite or coal, the chief, in fact, the basic consideration is the amount of ore "in sight." However rich in quality, it is essential that there be abundance, if the property is to be placed upon a permanent operating basis.

High in Intrinsic Worth.

This is where the Dominion Coal Company looms high in intrinsic worth. It is said by some mining authorities that the coal areas of the company contain fifteen hundred million tons of coal, but this is probably an extreme estimate. There is, however, every reason to believe t[illegible] the areas contain in the vicinity of half a billion tons of coal, which, with production at the rate of four million tons a year, an output the company has not yet attained in any previous year, would take over one hundred years to deplete the coal beds now in sight.

A plan of the coal areas and lands of the Dominion Coal Company in Cape Breton Island, shows development and prospecting work to have been carried out in practically every corner of the huge territory, representing some 142 square miles.

Not only has the company's engineers proved the property to contain several hundred million tons of coal of good average quality, but two of the most distinguished mining authorities in England reported on the property in the early months of 1904, and after a thorough inspection of mines and prospects, issued an exhaustive report dealing with every aspect of the situation as they found it.

The report was not published in its entirety, although a summary was given out at the time was generally satisfactory to all concerned. The report stated that the combination of properties was of great value, with specially advantageous conditions in the matter of mining and shipping; in the nature of a very large capacity of output, and the possession of shipping wharves, steamers, etc., also the control of a private railway to facilitate shipments.

Coal Reserves Enormous.

The experts said that the reserve areas, apart from the immense proved and working coal fields, were so enormous that they would be operated by future generations, and that the capacity for output, with specified extensions, which have no doubt since been made, a production of 4,000,000 tons per annum could be easily maintained.

It would appear from the foregoing, which may be taken as strictly reliable, that the company's future output will be restricted only by the consumptive market offering in this country and elsewhere.

In the past there has been much that is open to severe criticism. The goose that laid the goden egg was apparently strangled and its freedom restricted as a surplus maker, when such a surplus dividend would have helped the company over the few years of dividend depression that followed.

Heavy Interest and Dividend Charges.

Notwithstanding the known resources of coal, the company has to pay an eight per cent. cumulative dividend to attract the comparatively small amount of $3,000,000 of preferred capital, and a bond issue of $3,000,000, authorized, for which six per cent. had to be paid, and to make matters worse, a dividend at the rate of eight per cent. per annum was paid for the first half of 1903, and one at the rate of six per cent. per annum for the second half of the same year, or seven per cent. on the $15,000,000 of common stock then outstanding.

That was exploiting the earnings with a vengeance, and the matter is of such material importance to the present condition of the company that a glance at the statement of earnings and expenses for 1903 may here be justifiable.

In that year net profits amounted to $1,726,407, which included $800,000, received from the Dominion Iron and Steel Company for rent of the Dominion Coal properties, and out of the huge amount of profits, some $600,000 in excess of the profits for 1906, there was only a surplus on the year's business of $162,052, or about 9 per cent. of the total net profits.

It seems incredible that interest charges, and dividends could be allowed thus to eat up the precious earnings in such an extravagant manner. Dividends on the preferred and common stocks actually amounted to almost 75 per cent. of net profits in 1903, a situation which has perhaps been without parallel in any industry in Canada.

Small wonder that the dividend on the common stock was passed the following year, and if the bond issue had been in reasonable proportion to the company's great intrinsic value, and the preferred dividend charges also within reasonable bounds, the directors would not have been compelled to forfeit common stock dividends for the three following years.

However, it was appreciated that cheaper capital was essential to future success and although too late to eradicate all the evil, the reorganization scheme of 1905 entailed a great saving in yearly interest and sinking fund, the latter not being operative until 1911, when the first of the new issue of bonds is redeemable.

Difficult to Raise Funds in Early Days.

In justice to the directors it should be said that the high rate paid for money in the early days of organization may not have been so much a matter of recklessness as of necessity.

In those times, some fifteen years ago, a twenty million dollar corporation must have been looked upon with great suspicion by the public at large, and it is easy to imagine the position of nine promoters in seeking funds for the proper development of their properties. Even now there is difficulty in securing capital for Canadian enterprises, and in those days, when Canada was not so widely nor so favorably known, it must have been a task of the greatest magnitude to secure the funds for a coal property so far removed from the nearest consumptive market. The Steel Company was not then in existence and Canada's industrial strength was generally of an insignificant order.

A Wanton Abuse of Earnings.

Still, there was little justification for such wanton abuse of earnings in 1903, when the future looked so bright, and when a reasonable degree of conservatism in regard to dividends should have been displayed. The directors have evidently learned a lesson from previous vicissitudes, as at the end of 1906, with a profit and loss surplus (not, of course, on the year's operations) equal to 12.16 per cent. on the common stock of $15,000,000, they declared a dividend at the rate of 4 per cent., payable at the end of the first quarter of the current fiscal year. If the 1903 policy had again been put into practice, instead of a surplus on the year's operations of $631,815, equal to 4.2 per cent. on the common, there would have been a very considerable hole made in the now most favorable surplus of profit and loss.

As it is, operations for the past two years have produced a wonderful change for the better in the financial standing of the company, and a comparison of the statistics for the two years is exceedingly interesting.

A Change for the Better.

In the first place, the profit and loss surplus at the end of 1906, as already shown, was equal to 12.16 per cent. on the common stock outstanding, while the surplus (profit and loss) for the end of 1905 only represented about 9.25 per cent., on the same basis of reckoning. This; notwithstanding that net earnings in 1905 were about 27 per cent. in excess of those of 1906. And in turn, that gross tonnage in 1906 was over 11 per cent. in excess of the 1905 tonnage. These peculiar and apparently inconsistent circumstances are easily explained.

In the matter of profit and loss surplus being less in 1905 than in the following year, despite heavier net earnings, it is seen that an extraordinary amount of $746,797 had to be written off to provide lor the reorganization of securities and depreciations in the value of merchandise in stores (the latter not fully explained nor itemized in the 1905 report to shareholders), and as the equivalent account in 1906 showed only a sum of $200,000 written off for depreciation, there was clearly a sum of $546,000 to the good in that particular alone.

Since reorganization there has been no sinking fund, contrasted with $20,315 in 1905, the difference of over $566 000 therefore easily offsetting the $436,000 decreases in net profits. The preferred dividend decrease of $10,916 also favored a higher surplus.

The decrease in net profits, in face of the 11 per cent. increase in gross tonnage is explained by the president on the grounds that the contract business with the Dominion Iron and Steel Company and the New England Gas and Coke Company, had been conducted at a loss, and as practically the whole of the output was absorbed by these big companies the profitable business on outside markets had to be foregone. There was also an increase in the cost of mining for various legitimate causes, and particularly in the development work, which the report placed at $250,000 in excess of the previous year.

Without any attempt at a solution of the existing controversy between the Steel and Coal Companies it seems rather surprising that men so prominent in business affairs as the executive officials of the Dominion Coal Company should not have revised prices in 1903, as could have been done under its contract with the Steel Company, and thus have prevented the better portion of their output from being absorbed in filling contracts at a confessed loss.

BANK OF MONTREAL
(ESTABLISHED 1817)
Incorporated By Act of Parliament
Capital (all paid up), $14,400,000.00. Rest, $11,000,000.00. Undivided Profits, $422,689.98
HEAD OFFICE—MONTREAL
BOARD OF DIRECTORS
Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., Honorary President; Hon. Sir George A. Drummond, K.C.M.G., President; E. S. Clouston, Esq., Vice-President; A. T. Paterson, Esq., R. B. Angus, Esq., E. B. Greenshields, Esq., James Ross, Esq., Hon. Robt. Mackay, Sir William C. Macdonald, R. G. Reid, Esq.
E. S. Clouston, General Manager. A. Macnider, Chief Inspector, and Superintendent of Branches.
H. V. Meredith, Assistant General Manager, and Manager at Montreal.
C. Sweeny, Superintendent of Branches, British Columbia. W. E. Stavert, Superintendent of Branches, Maritime Provinces.
F. J. Hunter, Inspector N. West and Br. Col. Branches. E. P. Winslow, Inspector Ontario Branches.
D. R. Clarke, Inspector Maritime Provinces and Newfoundland Branches.
BRANCHES IN CANADA
Province of Ontario.—Alliston; Almonte; Aurora; Belleville; Bowmanville; Brantford; Brockville; Chatham; Collingwood; Cornwall; Deseronto; Eglinton; Fenelon Falls; Fort William; Goderich; Guelph; Hamilton; Hamilton, Sherman Ave.; Holstein; King City; Kingston; Lindsay; London; Millbrook; Mount Forest; Newmarket; Ottawa; Ottawa, Bank Street; Ottawa, Hull, P. Q.; Paris; Perth; Peterboro; Picton; Port Arthur; Port Hope; Queensville; Sarnia; Stratford; St. Marys; Sudbury; Toronto—Front Street, Yonge Street, Wellington Street, Queen Street, Richmond Street, Carlton Street; Trenton; Tweed; Wallaceburg; Warsaw; Waterford.
Province of Quebec—Buckingham; Cookshire; Danville; Fraserville: Grand Mere; Lake Megantic; Levis; Montreal—Head Office, Hochelaga, Papineau Avenue, Point St. Charles, Seigneurs Street, Ste. Anne de Bellevue, St. Henri, West End, Westmount; Quebec; Quebec, Upper Town, St. Roch's; Sawyerville.
Province of New Brunswick—Andover; Bathurst; Chatham; Edmunston; Fredericton; Grand Falls; Hartland; Moncton; Shediac; St. John; Woodstock.
Province of Nova Scotia—Amherst; Bridgewater; Canso; Glace Bay; Halifax; Halifax, North End; Lunenburg; Mahone Bay; Port Hood; Sydney; Wolfville; Yarmouth.
Northwest Provinces—Altona, Man.; Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Indian Head, Sask.; Lethbridge, Alta.; Oakville, Man.; Portage la Prairie, Man.; Raymond, Alta.; Regina, Sask.; Rosenfeld, Man.; Saskatoon, Sask.; Winnipeg, Man.; Winnipeg, Fort Rouge; Winnipeg, Logan Avenue.
Province of British Columbia—Armstrong; Chilliwack; Enderby; Greenwood; Kelowna; Nelson; New Denver; New Westminster; Nicola; Rossland; Summerland; Vancouver; Vancouver, Westminster Ave.; Vernon; Victoria.
IN NEWFOUNDLAND: ST. JOHN'S, Bank of Montreal. BIRCHY COVE, Bay of Islands, Bank of Montreal.
IN GREAT BRITAIN: LONDON, Bank of Montreal, 46-47 Threadneedle Street, E.C. (F. W. Taylor, Manager.)
IN THE UNITED STATES: NEW YORK (R. Y. Hebden, W. A. Bog, J. T. Molineux, Agents), 31 Pine Street. CHICAGO, Bank of Montreal (J. M. Greata, Manager). SPOKANE, Wash., Bank of Montreal.
IN MEXICO: MEXICO, D.F. (T. S. C. Saunders, Manager.)
BANKERS IN GREAT BRITAIN
LONDON, The Bank of England.
" The Union of London and Smith's Bank, Ltd.
" The London and Westminster Bank, Ltd.
" The National Provincial Bank of Eng, Ltd.
LIVERPOOL, The Bank of Liverpool, Ltd.
SCOTLAND, The British Linen Company Bank, and Branches
BANKERS IN THE UNITED STATES
NEW YORK, The National City Bank.
" The Bank of New York, N.B.A.
" National Bank of Commerce of New York
BOSTON, The Merchants' National Bank.
BUFFALO, The Marine Natl. Bank, Buffalo
SAN FRANCISCO, The First National Bank.
" " The Anglo-Californian Bank, Ltd.

Head Office, Montreal
THE MERCHANTS' BANK
OF CANADA
ESTABLISHED 1864
President—Sir H. Montagu Allan
Vice President—Jonathan Hodgson, Esq.
E. F. Hebden, General Manager
Capital Paid-up - - $6,000,000
Reserve Fund and Undivided Profits 4,034,256
Total Assets - - 53,000,000
120 Branches and Agencies in Ontario Quebec, Manitoba, Saskatchewan, Alberta, and British Columbia.
A General Banking Business Transacted. Special attention given to collections
SAVINGS BANK DEPARTMENT
AT ALL BRANCHES.

HEAD OFFICE, MONTREAL.
THE MOLSONS BANK
Capital paid up, $3,277,620
Reserve Fund, 3,277,620
JAMES ELLIOT - General Manager
A. D. DURNFORD - Chief Inspector
61 BRANCHES THROUGHOUT CANADA

THE METROPOLITAN BANK
Capital Paid up - - - - - - $1,000,000.00
Reserve Fund and Undivided Profits - $1,183,713.23
DIRECTORS:
S. J. MOORE, PRESIDENT. D. E. THOMSON, K.C., VICE-PRESIDENT.
HIS HONOR W. MORTIMER CLARK, K.C.
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W. D. ROSS, GENERAL MANAGER.
GENERAL BANKING BUSINESS. SAVINGS DEPARTMENT AT ALL BRANCHES

BANQUE D'HOCHELAGA
Capital Authorized, $4,000,000
Capital paid up, $2,000,000 - Reserve Fund, $1,600,000
DIRECTORS:
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ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ. J. A. VAILLANCOURT, ESQ.
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HEAD OFFICE - - - MONTREAL
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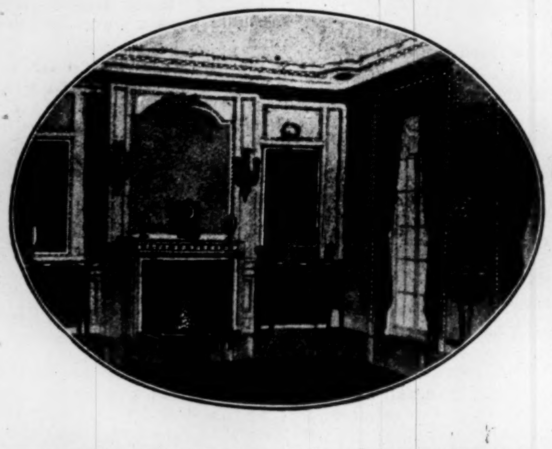
BRANCHES:—Berthierville, P.Q., Edmonton, Alta., Joliette, P.Q., Laprairie, P.Q., Louiseville, P.Q., Quebec, P.Q., Quebec, St. Roch, Sorel, P.Q., Sherbrooke, P.Q., St. Boniface, Man., St. Hyacinthe, P.Q., St. Jacques L'Achigan, P.Q., St. Jerome, P.Q., St. Pierre, Man., Three Rivers, P.Q., Valleyfield, P.Q., Vankleek Hill, Ont., Winnipeg, Man.



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CONSOLS AND THE BANKS

THE ENGLISH INSTITUTIONS AND THEIR INVESTMENTS.

Canadian Banks Utilize Their Funds More Largely in Commercial Loans—Proportion of Securities to Loans—English Shareholders Receive Lower Dividends — The Large Returns Made by British Banks.

The decline in consols will have its effect on the banks of Great Britain, all of which carry a large quantity of Government securities. When, two years age, these banks wrote consols down in their balance sheets to 85, it was thought that this figure was beyond peradventure. Now that consols have hovered close to 83, the situation of the English bank statements at the end of the current half-year is providing some serious thought to the directors. The Old Country banks have a much larger proportion of their assets invested in Government securities, bonds and stocks than is the habit in this country. Lending money rather than hoarding it, is after all a bank's business, and while it may be considered a great safeguard to have funds laid up in Government bonds to meet all contingencies, the question suggests itself whether in times of dear money, when large revenues are being secured from customers, and when the mercantile world demands money, it is worth while leaving so large a proportion of funds locked up in securities that are depreciating tremendously for the very reason that money is scarce. When one sees the possibility of English bank shareholders having to accept less dividends so that consols may be written down to 80, one admires the conservative and high-minded principle, but one wonders how far the proportion of quick assets is necessary. In the present status of British banks the old school of bankers is experiencing a shock.

A comparison of the amount of money in investments and in commercial loans between English and Scotch banks of numerous branches and Canadian banks shows that the latter have a much larger proportion of funds in commercial loans.

English and Scotch Banks.

(Amounts in thousands and £ sterling.)

	Investments.	Com'l Loans.
Lloyd's	£12,048	£39,429
London & Country ...	9,217	30,187
Lon. & Provincial	4,175	8,851
London City and Midland	6,745	32,619
Parr's	3,480	22,617
Lon. & Westminster...	4,543	19,425
Nat. Bk. of Scotland...	3,112	7,632

Canadian Banks.

(Amounts in thousands and in dollars.)

	Investments.	Com'l Loans.
Bank of Montreal	$10,095	$95,007
Bank of Commerce ...	6,235	11,316
Merchants Bank	6,933	31,012
Bk of Nova Scotia ...	5,041	17,810
Royal Bank	6,653	23,056
Bank of Toronto	2,569	27,468
Dominion Bank	3,085	32,915
Imperial Bank	4,168	25,368
Molsons Bank	2,763	20,987
Bank of Ottawa	2,731	20,691
Standard Bank	2,010	13,893

That the English banks are to suffer any serious difficulty from the depreciation in consols is not likely. Many of them have still a large margin between the rate of earning and the rate of dividend. The following table of English and Scotch banks should indicate what Canadian banks may be able to do in the way of dividends as the country grows older.

English and Scotch Banks.

(Amounts in £ sterling.)

	Capital paid up	Reserve.	Rate of earning on capital	Rate of dividend
Lloyds	3,851,600	2,950,000	21.57	18.75
London & County	2,000,000	1,550,000	32.50	10.
London & Provincial	800,000	1,415,000	28.22	18.
London City & Midland	3,142,850	3,142,850	21.54	18.
Parr's	1,708,500	1,708,500	37.72	19.11
London & Westminster	2,800,000	1,400,000	15.39	13.
Bank of Scotland	1,250,000	1,040,000	37.92	16.
Com. Bank of Scotland	1,000,000	1,000,000	24.	20.
Nat. Bank of Scotland	1,000,000	1,030,000	22.	15.15

Canadian Banks.

(Amount in dollars.)

	Capital paid up.	Reserve.	Rate of earning on capital	Rate of dividend
Bank of Montreal	14,400,000	11,000,000	12.48	10
Bank of Commerce	10,000,000	5,000,000	17.41	8
Merchants Bank	6,000,000	3,600,000	12.34	8
Bank of Nova Scotia	3,000,000	5,250,000	23.80	12
Royal Bank	3,900,000	4,390,000	17.11	10
Bank of Toronto	3,955,000	4,455,000	14.70	10
Dominion Bank	3,080,000	3,900,000	17.97	12
Imperial Bank	4,512,000	4,572,000	17.12	10
Molsons Bank	3,083,000	3,000,000	14.48	10
Bank of Ottawa	3,000,000	3,000,000	14.40	10
Standard Bank	1,192,000	1,592,000	17.56	12

SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

A REVERIE.

XXIII.

Late on a Saturday afternoon in the fall of the year 195—, in a room to the rear of a real estate office in the city of Toronto sat two men whose respective ages might be somewhere around seventy. The room, which was illumined by the golden rays of a setting sun, was barely furnished, the principal mural decoration consisting of a calendar of the North Pacific Shipping Company, showing the leaf of dates for the month of September. As they lay back in their chairs leisurely smoking the pipe of peace, one of them, whose clean shaven face showed a clean-cut mouth, broke the silence. Leaning forward and peering into the face of his companion he began to unfold his past record. "Yes, Harry," he said, "the great regret of my life is that I lost so many valuable opportunities in business when I was a young man. I remember well that in the years from 1905 until 1910 some of the best chances any young fellow ever had offered to him were offered to me, but somehow or other I never seemed to realize the importance of the times in which I was living. "Why," replied the other man, "are you not content with what you have? Your needs are few and you have everything to make a man happy." "Yes," answered the first speaker, "but the longer I live the more I realize that I have missed the aim of my life, and that I have failed to fulfil the dreams of my earlier days. In the early years of this century, Canada was full of prosperity, and I, a clerk in a bank in the year 1907, thought of the time when I would have charge of one of the branches soon to become great in the west, and would occupy an honorable position in the community, but somehow or other I got side-tracked. I have been side-tracked ever since, whilst many others have passed me on the main line." "And how," queried his companion, "did you get side-tracked when every young fellow holds his career in his own hands? Nowadays a man can be side-tracked only by his own conduct, for if a fellow has ability and energy there is not a man in the world can set him aside." "Well," replied the regretful one, "all that you say may be true enough, but the attractions, or distractions, rather they should be called, proved too strong for me and that is the reason why I have missed the target. I dreamt most of the time of what I would like to be, instead of being it. I did not understand that it is only as you give expression to your schemes and ideas that you become capable of originating and giving expression to more and better schemes and ideas. Oh, yes, I can see it all now, when it is too late. If there was ever a time when a young man had a chance to make a success of his life, the first dozen years of this century was the time." "These attractions must have been very strong," said the companion, "that they hindered you from taking advantage of chances so apparent," "Yes," was the reply, "they did seem attractive at the time, but I see only too clearly now what a great deal of harm they did me. I was too often at the theatre, I was an expert card player, I could habdle a cue with the best of them at billiards, I went in for a good time and allowed others to use far too much of my spare hours. That is where I made a great mistake, for the young man who cannot enjoy an evening all by himself cannot become a leader among men, or be a success in business. And then I did not save as I might have done. When I think now of the earnest efforts of the Canadian banks to encourage habits of thrift and saving, I can only think that they were doing a great service for the nation in teaching the lesson of self-help. Yes, I wasted a lot of valuable time doing nothing when I might have been reading useful books on banking and kindred subjects, which I could have had on loan from the bank's library for the asking. But, alas, the time was mis-spent. As old Gordon Graham, the Chicago pork packer of earlier days, once said, that it is not what a man does in his business hours that deter. mines his career, as what he does in his spare hours. My day is past. I have been left behind in the race, whilst some of those with whom I started have gone far ahead. There is Andrew Duncan, for example, who started banking at the same time and in the same office as I did, and now he is president of the Bank of Canada; there is George Henderson, who started a year after me, who is now general manager of the Universal Banking Corporation, and there is William Chisholm, who was always a hard worker, now president of the North Ametican Trust Company. These fellows made banking their life work, whilst I made it my life play. The opportunity came to me to be something, but I did not seize it." "What is the matter with you?" interjected his companion at this point. "Why have you not these drafts written out?" "What drafts?" "These drafts on New York, Why, man, have you been sleeping?" "I guess I have," the regretful one replied. "What year is this?" "1907," came the answer, mixed with laughter from the other clerks in the office. "Yes, I was sleeping, and dreaming, too. Thank heaven it is 1907. Say, boys, this is going to be one of the best years in my life and every one after is going to be better than the last."

DOUGLAS.

A by-law has been introduced in the Etobicoke township council, Mimico, Ont., providing for improvements to the Lake Shore road at a cost of $5,000.

THE CANADIAN BANK OF COMMERCE
HEAD OFFICE, TORONTO ESTABLISHED 1867
B. E. WALKER, President.
ALEX. LAIRD, General Manager,
A. H. IRELAND, Superintendent of Branches
Paid-up Capital, $10,000,000
Rest, - - - - 5,000,000
Total Assets, - 113,000,000
BOARD OF DIRECTORS:
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The Bank of England; The Bank of Scotland; Lloyds Bank, Limited; The Union of London and Smiths Bank, Limited

The Dominion Bank
HEAD OFFICE - TORONTO, ONT.
Capital Paid-up - - - - - $3,600,000
Reserve Fund and Undivided Profits - - - - 4,565,000
Deposits by the Public - - - - - 35,000,000
Total Assets - - - - - - 50,000,000
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WILMOT D. MATTHEWS, Vice-President
A. W. AUSTIN JAS. CARRUTHERS J. J. FOY, K.C., M.L.A.
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Branches and Agents throughout Canada
Commercial and Travellers Letters of Credit issued, available in all parts of the World

THE BANK OF TORONTO
Incorporated 1855
HEAD OFFICE, TORONTO, ONT.
Capital - - $4,000,000
Rest - - - 4,500,000
Assets - - 37,000,000
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MONEY LOANED to responsible people.
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CHICAGO - - - - First National Bank
LONDON, ENG. - London City and Midland Bank
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103 Bay Street
President---Ven. Archdeacon Sweeny, D.D.
Hon. Treas.---Col. John I. Davidson.
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TELEPHONE M. 1958
Contributions for the work earnestly requested.
Dora Speers, Secretary

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Correspondents at financial centres abroad.
F. W. BROUGHALL
General Manager.

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General Manager, GEORGE P. REID
Head Office, TORONTO
LETTERS OF CREDIT
COLLECTIONS NEGOTIATED AND RECEIVED
CORRESPONDENCE INVITED

THE
ROYAL BANK
OF CANADA

INCORPORATED 1869

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Reserves - - - $4 390,000
Total Assets - - $45,000,000

HEAD OFFICE - - - - MONTREAL
EDSON L. PEASE, General Manager

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St. John's, Newfoundland
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5% BONDS
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THE CROWN BANK OF CANADA

DIVIDEND NO. 6.

Notice is hereby given that a quarterly dividend of one per cent. has been declared upon the paid-up Capital Stock of this Bank, and that the same will be payable at the Head Office and Branches on and after Tuesday, the 2nd day of July next.

The transfer books will be closed from the 17th to the 30th June, both days inclusive.

By order of the Board.

G. de C. O'GRADY.
General Manager.

Toronto, 28th May, 1907.

Keewatin Flour Mills Co. 6% BONDS, DUE 1916
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THE STORY OF GAMBLING

WAGER TO SEND A MESSAGE 50 MILES IN 30 MINUTES.

Some Strange Episodes — A Dragoon Captain Who Walked 50 Miles, Drove 50 Miles and Rode 50 Miles in 24 Hours — Gambling Co-eval with the Human Race — It is Rife Among Primitive Tribes — The Prince of Wales' Turkeys Beaten by Geese — The Gambler a Cancer in the Community.

In these days of limited expresses and auto cars, it is amazing to read that one hundred years ago in the days when gambling reached a height not excelled in these times, even on the stock markets, Lord March hung up an offer to bet two thousand guineas that he could send a written message fifty miles in half an hour, and not employ birds. Coming, as this did, in a day which antedated railroads by sixty years, the proffer caused excitement and discussion. After profound debate, in which every possible or impossible chance was twisted and turned, the proposal was declared by the club feather-heads to be preposterous. No written message could be made to travel fifty miles in thirty minutes! March was plainly crazy; and a hasty syndicate was formed to rake in his two thousand guineas, before his family discovered his condition and locked him up. When the money was placed, the canny March sewed the message in a cricket ball, stood up twenty picked cricketers at reasonable intervals from one another, and the ball—with its message—was thrown fifty times around a mile course, in fewer than twenty minutes.

The incident is recalled by Alfred Henry Lewis in his first chapter on "The Story of Gambling" now current in Pearson's Magazine.

Almost as enterprising a feat in a different fashion was that of Captain Polhill, of the Dragoons, who bet one thousand guineas that he could walk fifty miles, drive a coach fifty miles, and ride a horse fifty miles in one day of twenty-four houes, and won easily with almost six hours to spare. The doughty captain walked his fifty miles in ten hours, twenty-one minutes, drove it in four hours, twenty-four minutes, and rode it in two hours, forty-two minutes. Later, by a month, the captain rode ninety-five miles, on thirteen horses, in four hours, seven minutes, for a bet of five hundred guineas.

Mr. Osbaldiston rode two hundred miles on Newmarket heath for a wager of one thousand guineas, and did it on a raw, cold, rainy day, in purple cap, velvet jacket and doeskins. He accomplished the feat a little inside of nine hours, on fourteen horses. Mr. Osbaldiston was forty-four years old; yet such was his self-confidence that before the start he offered to make it a diamond to a dumpling, or a horse to a hen, that he would win.

Gambling Among Aborigines.

He who tracks gambling to its source will have tracked humanity to its source. It has raged the staring evil of every age and every people. Black, red, yellow and white, civilized, barbarous and savage, all have been gamblers. Also, cheating and swindling and roguery were ever the hand-maids of gambling, while murder and all foul crimes have followed hard upon its heels.

While the spirit of gambling never failed or varied, the method changed with time or tribe. The Esquimau pleased his frozen leisure with a board on which was a revolving finger, like the hand of a clock. This he might whirl—he and his fellow courtiers of fortune sitting in a circle about the device—and, when the wooden finger came to a stop, the lucky blubber-face at whom it pointed took the "pot." At this primitive roulette, the happy seal hunters lost sleds and dogs and skins and harpoons and what else should go to swell a Greenland fortune.

The American Indians had, and still have, numerous games of chance, or mixed chance and skill, which run all the way from a home-made chuck-a-luck, played with dice carved from the knuckle bones of animals, to personal foot-races and games at Indian ball. The negroes in Africa, long before Solomon's time, played a game with shells and lost at it everything they owned, including their children.

Cards—"the devil's prayer-book," according to John Knox—were invented by the Chinese. Dice had their origin among the Persians.

Crockford's Fortune.

In England it reached its worst phase during the eighteenth century, largely owing to the influence of Louis XIV., and the manners of the French court. It became systematized in the time of George II., when gambling clubs first came into being and gave rise to such institutions at White's, Boodle's, the Cocoa Tree, Almack's, Brooks', Wattier's and Crockford's.

Crockford, who originated the club of his name, had been a fishmonger, and graduated into gambling as the more paying, even if less upright, trade. The Duke of Wellington was a pet member of Crockford's, and it thus became the resort of ensigns, and sub-lieutenants, and other sucking Marlboroughs anxious to ruin themselves in briefest possible space. Every night the slimy ex-fishmonger sat at his desk in the club, sly and dangerous as the dragon which guarded the golden apples, and booked his profits. Crockford retired a multi-millionaire, despite the fact that—although his was a club composed wholly of "gentlemen"—his losses by unpaid checks and forgeries totalled into hundreds of thousands.

Turkeys vs. Geese.

As evincing what wise men, a century or more ago, were accustomed to do to the Prince of Wales, it is recorded that Mr. Berkeley and Colonel Hanger trolled his royal highness into a match race of ten turkeys against ten geese, the course to be ten miles out on the Brighton road, starting from the Pig and Whistle. This match was what would be known in modern times as the "lemon game," for Colonel Hanger pretended to act with the Prince of Wales, and back the turkeys, against Mr. Berkeley and Duke Jock of Norfolk—the latter gentleman being the last of the Plantagenets, and an excessively drunken last at that—with their ten geese.

As offering a road "clear of such obstructions as morning market wagons," to quote the guileful conspirators, the race was appointed for five o'clock sharp one October afternoon. The Prince and Colonel Hanger attended on foot, with poles and bags of corn, to drive the turkeys, while Mr. Berkeley and the last of the Plantagenets, similarly equipped, were present to drive the geese. The twenty birds got away on the nick of time, the turkeys hurrying forward like ostriches, the geese waddling heavily in the rear.

The turkeys, prodded and poled along by the enthusiastic Prince and Colonel Hanger, romped off their first eight miles with the speed of quarter horses. The lethargic geese were five miles to the hopeless rear, rolling like ten Dutch gallions in a beam sea. It looked apples to ashes on the turkeys; and so said the happy Prince, who had wagered fifteen thousand guineas on the event.

It was here and now that a wondrous, not to say a monstrous, thing occurred. The shades of night began to fall. As though this were a signal, one of the ten turkeys—the sleepiest, and no doubt a turkey of most correct hours—flew up into a wayside tree. The Prince poked him with his pole. Thereupon the correct turkey took to a higher bough, and two other turkeys, looking for a night's lodging, joined him. The Prince grew desperate. His despair increased when, one after the other, the seven remaining turkeys began picking out accommodations for the night.

Meanwhile the sleepless geese waddled on and in due course passed under the tree where the turkeys were sleeping and finally reached their journey's end.

The Gambler a Parasite.

The gambler, humanly speaking, is always a parasite and commonly a rogue, says Mr. Lewis. He produces nothing; in no wise does he augment the world's store. Though he live to be as old as Methusaleh, yet shall the world have no profit in him.

BOND NOTES.

The town of Owen Sound on Saturday last voted a grant of a loan of $15,000 to the Bell Furniture Co.

S. H. Kent, city clerk of Hamilton, is receiving endorsed tenders till 20th of June for the purchase of $105,000 City of Hamilton 4 per cent. 20 annual instalment debentures; $120,000 4 per cent. 30 annual instalment debentures; $135,000 4 per cent debentures payable at the end of 20 years; $62,000 4 per cent. water works debentures payable at the end of 30 years.

Mr. J. H. Agnew (Provincial Treasurer's office, Winnipeg, Man.), will receive tenders for the purchase of the debentures for the Province of Manitoba for the sum of $500,000. These debentures will be in denominations of $500, which will run for 40 years and bear interest at the rate of 4 per cent. per annum payable half yearly.

The town of Cardston has passed a bylaw to borrow $20,000, on 40-year debentures, for the extension and completion of their electric light and water works systems.

Mr. A. W. McBean, town clerk of Westville, N.S., will receive tenders till the 21st of June for the purchase of ten debentures of $1,000 each, all payable in 20 years at 4½ per cent. per annum.

On the 8th day of July the ratepayers of Sarnia will vote on a bylaw to raise a sum of $12,000 as a bonus to the Standard Chain Co. of Canada.

The city of Fort William, on the 9th of July, will vote upon four bylaws; one to raise $26,000 for the improvement and extension of their electric light system; another, $3,750, to acquire lands to improve the central fire hall station; another to raise $32,000 to improve and extend the water works system, and another to raise $68,000 for the purpose of acquiring certain lands within the city.

The city of Edmonton has passed a bylaw to grant $50,000 for public hospitals.

Bylaws have been introduced in the city council of Medicine Hat, Alta., authorizing the issue of debentures for the loan of $70,000 to Medicine Hat Milling Company, $25,000 for extension of water works system, $20,000 for additions to natural gas mines, $6,700 for installation of fire alarm system. The city engineer estimates that $23,000 will be spent on street grading this year, $85,000 on sewerage system, $25,000 for pavements, and $10,000 for an isolation hospital.

The ratepayers of Calgary, Alta., have voted in favor of a bylaw to construct a gravity system of waterworks at an estimated cost of $340,000.

The ratepayers of North Battleford, Sask., have carried a bylaw to spend $100,000 for water, sewerage and electric lighting system and $17,000 for street improvements and fire protection.

The town council of Milverton, Ont., has decided to submit a bylaw to the ratepayers providing for granting of a loan and other concessions to the Grosch Felt Shoe Co. as an inducement to remain in this village and erect new warehouses.

The ratepayers of Winchester, Ont., are considering the establishment of a system of fire protection.

The ratepayers of Regina, Sask., have carried bylaws providing for construction of following public works: Pavements, $225,000; sidewalks, $50,000; sewerage, $60,000; waterworks, $30,000, and electric, $60,000.

The town council of Didsbury, Alta., has decided to submit to the ratepayers a bylaw providing for an expenditure of $15,000 on a system of fire protection, street grading and purchase of park property.

Bylaws will shortly be introduced in the town council of Carman, Man., providing for the issuance of debentures for $8,000 for the completion of the fire protection system and $2,000 for erection of town hall.

The town council of St. Johns, Que., has voted $15,000 for erection of a new town hall.

A bylaw will shortly be introduced in the town council of Estevan, Sask., providing for the submission to the ratepayers of a bylaw to provide for construction of water, light and sewerage system.

The ratepayers of Dartmouth, N.S., have carried a bylaw to extend the water and sewerage systems at an estimated cost of $30,000.

The town of Vegreville will receive tenders for the purchase of $9,900 20 year 6 per cent. debentures. Mr. F. A. Morrison, secretary-treasurer, Vegreville, Alberta.

A bylaw will be submitted to the ratepayers of Sherbrooke, Que., on June 24 for the purpose of raising $200,000 with which to develop a water power owned by the city at Westbury Basin.

The town council of Sydney, N.S., has been discussing the question of erecting a new high school building, at a cost of about $40,000.

BANK OF NOVA SCOTIA
INCORPORATED 1832

Capital - - - - $3,000,000
Reserve Fund - - - - $5,250,000

Head Office: HALIFAX, N.S.
General Manager's Office TORONTO

A general banking business transacted

Savings Accounts opened by deposit of $1 or over.
Interest added four times a year

FOR THE INFORMATION OF DEPOSITORS
This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditor.

The Standard Bank of Canada
DIVIDEND No. 66

Notice is hereby given that a Dividend upon the Capital Stock of this Bank at the rate of TWELVE PER CENT. PER ANNUM for the current QUARTER ending 31st May, 1907, has been declared and the same will be payable at the Head Office and Branches on and after

Saturday, the 1st Day of June next.

The transfer books will be closed from the 21st to the 31st of May, both days inclusive.

The Annual General Meeting of the Shareholders of the Bank will be held at the Head Office in Toronto on Wednesday, the 19th day of June, 1907, at 12 o'clock noon.

By order of the Board,
GEO. P. SCHOLFIELD
General Manager

Toronto, 19th April, 1907.

THE BANK OF OTTAWA
Head Office: Ottawa, Ont.

Capital, - - - - - - $3,000,000
Rest and Undivided Profits, - - 3,236,513

Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.
GEORGE BURN, General Manager

INVESTMENTS THAT PAY
My special interest, as a financial agent, is in finding out investment opportunities that the general run of investors never hear of until capitalists control them—industrial concerns that want development capital and will give rare value in stock-holdings to get it quickly. I know of five exceptional opportunities now like this—either of them open to the man with a few hundreds. It might pay you to get in touch with me.
BENJAMIN BURLAND
303 BOARD OF TRADE BUILDING, - - - - - - MONTREAL

ALFRED B. WILLIS
Mining Engineer
23 Toronto Street, TORONTO

THE RUBY SILVER MINING & DEVELOPING CO., LIMITED
Capital $500,000 Treasury $100,000
SHARES 50 cents.
Adjoins Green-Meehan and Red Rock properties in Bucke Township
Particulars on application
Hutchinson, Lloyd & Co., Room 24 Ottawa Bank Building, Montreal

5% DEBENTURES Issued in Sums of $100 and upwards
SPECIAL INVESTMENT. ABSOLUTELY SECURE.
ASSETS - - - $1.300.000
THE SUN and HASTINGS SAVINGS and LOAN CO. OF ONTARIO
Write for Particulars.
W. Vandusen, Pres.
Ambrose Kent, Vice-Pres
Cor. Yonge and Richmond Sts. TORONTO
W. PEMBERTON PAGE, Manager

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If you want to connect with a prosperous class of people your ad. should appear in the columns of
The Financial Post
You can buy space in other good papers, but if you desire to secure PUBLIC FAITH in your pronouncement our columns are
Best For You
Let us mail you other reasons.
Publication office 10 Front E., Toronto

THE FINANCIAL POST
OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

No paid advertising will be inserted in the reading columns unless marked "Advertisement" excepting in he case of Official reports of annual or other meetings of corporations.

The acceptance and insertion of an advertisement shall in no way be taken as an indication of the approval of the editoral department ; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

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President, - - - John Bayne MacLean
Managing Editor, - - - Stewart Houston

Toronto, June 15th, 1907.

THE CUSTOMARY CIVIC CRAFT.

The city of Toronto, following the custom which has made its name synonymous with chicanery and unfairness, is pressing to the Privy Council its appeal on the Level Crossings case. The object of the appeal is nothing more nor less than to have the Railway Act declared unconstitutional. If the section of the act in question is ultra vires certain other clauses must be so. The city's legal advisers do not appear to consider the general effect of such a proceeding (if by any chance successful) as long as they gain their point. The Canada Railway Act has worked on the whole well and it would be difficult to provide under Provincial Governments any better measure safeguarding the public rights. It would appear reasonable that municipalities should bear their share of the expense of protecting level crossings where the growth of population in that vicinity has rendered such protection necessary. It cannot be said that a railway which has crossed originally what was a quiet highway gains any benefit from the increase of population or traffic transforming the highway into a busy city street. The city, however, never has regarded any larger equity. In the present instance if it is successful, it finds itself in no better position as regards the protection of the lives of citizens. If the clause is inoperative, the railways can withdraw the safeguards and await what action may result from provincial legislation. In the meantime the citizens will suffer the penalty. It would perhaps be a salutary lesson if the city of Toronto were some day indicted for manslaughter.

The present appeal is a fine instance of civic obstinacy. The point of ultra vires was first raised in the case of the Township of York vs. C.P.R. and was carried to the Court of Appeal, which decided adversely to the township. The city of Toronto, after the Grand Trunk Railway had equipped and protected a crossing, refused payment of the claim for the city's portion of the cost and the case went to the Supreme Court. In its whole course only one judge (Idington J. in the final court) dissented. Leave to appeal to the Privy Council was refused. When the C.P.R. claim became due, the city gleefully and guilefully again refused, but did not carry the case in Canada beyond the Court of Appeal, appealing direct to the Privy Council. The appeal will be heard in July. The costs in all these actions will probably amount to a considerable portion of the claims.

CONSOLAR FALLACIES.

When we read that consols have reached their lowest price in sixty years, we should remember that the present British consol is on a different basis from that issued prior to 1888, when Hon. G. J. Goschen reduced the interest from 3 to 2½ per cent., the modern consols being popularly called "Goschens" on that account.

While consols have therefore ostensibly been selling lower than 84⅝, the price of 1866, when the Bank Act was suspended following the failure of Overend, Gurney & Co., and at a figure not touched since 1848, the time of the great Irish famine, the low figure of 80 then reached is equivalent to 96 of the present issue. At the price of 83¾, reached last week, consols were still selling on less than a three per cent. basis and their equivalent price on the parity of the old issue was 100½.

Another fallacy that pleases the Radical mind is the belief that the present low price of consols is due to the Boer war, and Sir F. C. Gould burlesques the famous epithet applied to Sir Robert Peel "He gave the people cheap bread," by devising a statue of Mr. Chamberlain, with the inscription, "He gave the people cheap consols." In view of the world-wide tremendous depreciation of investment securities, for consols to be still selling on a three per cent. basis must be considered by no means unsatisfactory. They are selling better than French rentes or any other Government or municipal issue not gifted with special privileges such as U. S. Government bonds, which have a special value to the American banks on account of their being a reserve against circulation. The decline in consols is both normal and natural and would probably have been as great or nearly as great if the Boer war had never happened.

THE SAVING HABIT.

The Self-Help articles printed weekly in The Financial Post, with the principle of saving as their customary text, have received considerable currency in the provincial press. At a time when extravagance is the besetting fault of a community, as a result of its rapid enrichment, it is agreeable to find that the preaching of thrift is at least being published, however far the practice may fall short. The continual inculcation of the lesson must in due course have some effect. The increase in branch banks and their quest of deposits may be assisted by articles along the lines of the Self-Help series.

THE CROPS.

The United States Government crop report was issued on Monday of this week. It appears that the estimate of the crop situation in winter yheat is about the same as the situation of 1904, which, it will be remembered, was a poor year. The estimate is, moreover, not so low as the yield of 1902, so far as winter wheat is concerned. On the other hand the estimate of spring wheat which is given in this report for the first time is considerably lower than the yield in any year since 1901.

The following are some of the details:

	1907.	1906.	1905.	1904.	1903.	1902.	1901.
Winter wheat	77.5	83.0	85.5	77.7	82.2	76.1	87.8
Spring wheat	88.7	93.4	93.7	93.4	95.9	95.4	92.0

The spring wheat acreage is 15,464,000 against 17,987,000 in June, 1906. The indicated spring wheat crop is 255,192,000 bushels, against 298,617,000 bushels in June, 1906.

The estimated results of the winter wheat crop are as follows:

	Area, acres.	Condition.	Yie'd.	Crop, bushels.
Estimated, June, 1907	28,132,000	77.5	13.5	379,782,000
" May, 1907	28,132,000	82.9	14.4	405,101,000
" June, 1906	29,623,000	83.0	14.0	414,772,000
Actual crop, 1906	29,599,961	94.1	16.7	492,888,000

The winter and spring wheat crops taken together yield the following result:

	Winter.	Spring.	Total.
Estimated, June, 1907	379,000,000	255,000,000	634,000,000
" June, 1906	414,000,000	298,000,000	713,000,000
Final, 1906	492,000,000	242,000,000	735,000,000
" 1905	428,000,000	264,000,000	692,000,000
" 1904	332,000,000	219,000,000	552,000,000

The net result of these reports is that the situation is rather better than it was in 1904 and not so good as it was in either of the intervening years.

The exports of wheat from the United States during the 10 months, ending April 30, 1907, were about 66 million bushels. Owing to the very heavy shipment of the past few weeks, it is not improbable that the shipments will approach altogether 140,600,000 bushels. The large quantity of wheat held over from the crop of last year, which was the second largest ever produced, is a serious factor in estimating the effect upon the European markets of the shortage of crops this year.

The Monetary Situation

DIVERGENT VIEWS BY HIGH AUTHORITIES.

The difficulty of forming a sound judgment on the monetary situation is well illustrated in the statements on the one hand of Lord Rothschild in London, and on the other of M. Edmond de Rothschild in Paris. The head of the London house attaches great importance to the propaganda of President Roosevelt against the railways and to the Socialist views which have become prevalent both in the United States and in England. M. Edmond de Rothschild takes a different view ; he thinks that the disturbance in the stock market is due "to the rise in the price of capital, against which we can do nothing." It may be, however, that the investing public, while they do not follow President Roosevelt, find themselves more or less in agreement with him up to a certain point. The syndicate of French bankers who withdrew from the negotiations for the placing by the Union Pacific of a $50,000,000 loan in Europe early this year, may have done so because they were afraid of Mr. Harriman, rather than because they were afraid of President Roosevelt.

M. Leroy-Beaulieu, whose shrewd and original views on financial questions at critical junctures, have often thrown light on the situation, thinks that many investors in France have been "terrified by Mr. Harriman's coups." This, however, is, after all, only an incident in the situation. So many people, other than Mr. Harriman, want to borrow money at present that the investor chooses either to charge a high insurance rate or to lend on more substantial security than Mr. Harriman has to offer.

The fact appears to be that the demand for capital has outrun the supply for the time being. In the United States and also in Canada, to a certain extent, it is true that extravagance of personal living in all classes has retarded saving, so that enormous as the income of these countries is, the margin saved for further production is too small for the demands upon it produced by the industrial machinery necessary to sustain the processes which result in the income. The frugal French peasant and the careful English investor must gain enormously by this condition of things. They will naturally withhold their capital unless they can get progressively higher rates of interest. The scrapping of plant, and the over-capitalization to which this and other methods give rise have their inevitable limits.

The whole situation illustrates most fully Hill's fundamental maxim that "capital is the result of saving." Unless capital is economically employed there can be no saving. The situation may indeed be interpreted as a warning against wasteful production. For years wages have been so high in the United States that economy in material has been less obviously important than economy in time and labor. Hence the capital invested in United States enterprises has not been by any means as productive proportionately as capital invested under more economical systems of industrial organization. The incessant demands for fresh capital have exhausted the market, and the profits have been to a large extent swallowed up in extrapagant living by all classes. If there is a fallacy in mere saving, there is also a fallacy in mere expenditure. The growth of expenditure upon plant which is not immediately fully productive cannot outrun the provision for this by means of saving from returns out of immediately productive expenditure. In other words, the farmer must save enough to make his roads—railways or other. If he does not do all his own saving, his borrowing powers will be limited by the amount of saving he does accomplish. Just as the western prairies cannot indefinitely draw capital from the east, or what is the same thing, lean indefinitely iupon the east for financial assistance in building railroads and the like, so a country like the United States cannot draw disproportionately from Europe for an indefinite time. The stringency in the money market appears thus to be due to the increasing price of capital and this again appears to be due to the demand for it increasing out of proportion to the effective saving.

If. Mr. J. J. Hill is right in saying that the American railways require five thousand million fdollars for extensions, the American people will have to provide these thousands of millions by means of a course of plain living. The European peasant cannot indefinitely save enough for the needs of Europe and America at the same time, no matter what the rate of interest may be which America is willing to pay. There can be no doubt that a continued high interest rate in America will react rather unfavorably upon this country, although, of course, it will tend to draw capital here. On the whole, production is cheaper in this country, wages are lower than they are in the United States, and the possibility of securing a margin of saving, in spite of the high interest rate, proportionately greater. The process of stepping down, as it were, from a high plane of personal expenditure to a lower one, is always accompanied by dislocation. It is to be hoped that it will be accomplished rather gradually than suddenly.

JAMES MAVOR.

COBALT INVESTMENTS.

The mining list at Cobalt is now on a level where it looks profitable in many cases from an investment viewpoint. Coniagas, Nipissing, Trethewey, Silver Queen, Buffalo and McKeKinley-Darragh all look cheap. The Green-Meehan at 40 is on a fair parity and is worthy of attention.

The Foster reports will be issued to the shareholders to-day or Monday. They have been held back for a thorough criticism by the consulting engineers and the engineer of the mine. Their purport is favorable and as the Foster is now shipping ore it may be assumed that brighter prospects are in store. The financing of the property is probably the chief difficulty before it at present.

An English stock broker and capitalist, Mr. Ary Oppenheim, was a visitor to the camp during the week and was greatly impressed with its possibilities. He went there in a frame of mind not altogether favorably disposed, but an examination of several properties with engineers produced an exactly opposite impression. He was especially struck by the manner in which development had been done on the Cobalt Townsite and the Casey Cobalt, the two original propositions on the London market. It is Mr. Oppenheim's opinion that English capital will soon find its way to Cobalt, not through the channel of the last two flotations, but in the purchase of existing shares of well founded properties and in the purchase of likely prospects in the camp.

The strike on Silver Leaf was responsible for very considerable activity yesterday in the shares of this highly capitalized prospect which now looks as though after a long search an ore body had been ascertained. As yet its extent and value cannot be determined.

BANK NOTES.

The Dominion Bank opened its new branch at Ottawa this week. Mr. C. E. Thomas, accountant, of the Montreal branch, has been appointed manager.

Mr. E. L. Pease, general manager of the Royal Bank, returned last week from a visit abroad.

The salary of $10,000 per annum to be paid Mr. Aemilius Jarvis as president of the Sovereign Bank, was confirmed at the annual meeting on Tuesday.

In the death of Mr. J. P. Dawes a prominent figure in the financial and commercial world passes away. He was a director of the Merchants Bank, president of the Windsor Hotel Company, and the Dorval Road Company, director of the Dominion Woollen Mills, the Dominion Bridge Company and the Alliance Assurance Company. He was 64 years of age. He was at times very active in racing. He had several very famous horses that could win in the best of company, notably Red Fellow, Belle of Orange and Laurel. His steeple chaser Charlemagne won the biggest jumping race of the year some twenty years ago.

The Bank of Toronto loses a valued director in the death of Mr. John Waldie. He was 74 years of age and had made in the past twenty years a large fortune in the lumber business. He was president of the Victoria Harbor Lumber Company and a few weeks ago purchased the business of Cook & Bros.' Lumber Company.

The action of the Traders Bank against 150 farmers of Essex County for the value of certain notes aggregating about $20,000, was tried this week at Sandwich. The notes were given in payment of stock in the Consumers' Tobacco Company. The farmers are defending the action on the ground that the company failed to purchase tobacco as it had agreed to do.

The Ward Commercial Agency, successors to the Legal and Commercial Exchange of Canada, Montreal, have recently removed their offices to more commodious quarters in the Sun Life building, 40 St. John street. Mr. John Ward, head of this business, has a sterling connection with the leading banks, and his agency, while one of the smallest of the influential concerns, is, nevertheless, notable for its soundness and accuracy.

Dividend Notices

DOMINION COAL CO.
LIMITED
DIVIDEND NOTICE

A Quarterly Dividend of one per cent. has been declared on the Common Stock of the Dominion Coal Company, Limited, payable on July 2nd, 1907, to Shareholders of record at the closing of the books on June 21st, 1907.

Transfer Books of the Common Stock will be closed from June 21st, at 3 p.m., to July 2nd, at 10 a.m.

Cheques will be mailed to Shareholders.

J. MACKAY, Secretary.
Montreal, 11th June, 1907.

The Toronto Mortgage Company,
DIVIDEND NO. 16.

Notice is hereby given that a Dividend of Three per cent., being at the rate of Six per cent. per annum, upon the paid-up Capital Stock of this Company has been declared for the current half-year, ending 30th June inst., and that the same will be payable on and after

TUESDAY, 2ND JULY, 1907.

The Transfer Books will be closed from 15th to 30th June, both days inclusive.

By order of the Board,
WALTER GILLESPIE, Manager.
7th June, 1907.

The Toronto Electric Light Co.

At a meeting of Directors of The Toronto Electric Light Company, Limited, held on Thursday the 13th inst., a dividend of 2 per cent. upon the paid-up capital of the Company was declared for the current quarter, being at the rate of 8 per cent. per annum, the same being payable on the first day of July next.

The Transfer Books will be closed from June 20th to 30th, both days inclusive.

J. J. WRIGHT, Manager.

AGRICULTURAL
SAVINGS AND LOAN COMPANY

DIVIDEND NO. 70.

Notice is hereby given that a dividend at the rate of Six per cent. per annum has been declared for the current half year, upon the Capital Stock, payable on and after

2ND JULY NEXT.

Transfer Books closed from 15th to 31st instant.

C. P. BUTLER, Manager.
London, 4th June, 1907.

Bank of Nova Scotia
Dividend No. 150.

NOTICE is hereby given that a dividend at the rate of twelve per cent, per annum on the paid-up Capital Stock of the Bank has been declared for the quarter ending 29th June, and that the same will be payable on and after TUESDAY, THE SECOND DAY OF JULY NEXT, at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 17th to the 29th proximo, inclusive.

By order of the Board.
H. C. McLEOD, General Manager.
Halifax, N.S., 21st May, 1907.

National Trust Company
Limited
18-22 King St. East, Toronto

Notice is hereby given that a quarterly dividend for the three (3) months ending June 30th. 1907, at the rate of seven per cent. (7 per cent.) per annum has this day been declared upon the capital stock of this Company, and the same will be payable on and after the 2nd day of July, 1907.

The Transfer Books will be closed from the 20th to the 29th June, both days inclusive.

W. T. WHITE,
General Manager.
Toronto, 5th June, 1907.

Niagara Navigation Company
—Limited—

Notice is hereby given that an interim dividend of four per cent., being at the rate of eight per cent. for the year, has been declared upon the Capital Stock of this Company, and the same will be payable on the 2nd of July, 1907.

The Transfer Books will be closed from the 14th June to 30th June, 1907, both days inclusive.

By order of the Board.
E. B. OSLER, President.
Toronto, June 10th, 1907.

The Royal Bank of Canada
Dividend No. 79.

Notice is hereby given that a Dividend of two and one-half per cent. for the current quarter ending 30th June, being at the rate of ten per cent. per annum upon the paid-up Capital Stock of this Bank, has been declared, and that the same will be payable at the Bank and its Branches on and after Tuesday, the 2nd day of July next.

The Transfer Books will be closed from the 17th to 29th June, both days inclusive.

By order of the Board.
E. L. PEASE, General Manager.
Montreal, P.Q., 21st May, 1907.

THE
Toronto General Trusts Corporation
DIVIDEND NOTICE

Notice is hereby given that a dividend of three and three-quarters per cent. upon the paid-up Capital Stock of this Corporation has been declared for the current half-year (being at the rate of seven and one-half per cent. per annum), and that the same will be payable on and after the 2nd July.

Transfer Books will close on Saturday, 15th June, and open on Tuesday, 2nd July. By order of the Board,
J. W. LANGMUIR,
Managing Director.
Toronto, June 6th, 1907.

INDUSTRIAL FINANCIAL CO.,
18 TORONTO STREET,
Toronto — Canada
Unlisted Securities, Debentures and Mortgages, Trustees and Transfer Agents.
Confidential Reports for Shareholders.

THE WALL STREET JOURNAL
Founded 1882
Largest Circulation of any Financial Paper in America
$1 a month; $12 a year. DOW, JONES & Co., Publishers, 44 Broad St., NEW YORK, N. Y.

Growing— and Still Growing

Canadians know, by facts and figures, that their own best interests are served by insuring in

The Mutual Life OF CANADA.

They know that the policy-holders own everything — control everything — get everything.

They know that this Company is gaining in financial strength every day. And they have daily proof of the wisdom of taking out insurance in a company which can show such progress as this :—

Gain in Income in 1906 . $ 115,904.22
Gain in Assets in 1906 . . 1,089,447.69
Gain in Surplus in 1906 . 251,377.46
Gain in Insurance in 1906. 2,712,453.00

yet the expenses were $10,224.36 LESS than in 1905.

Write for the 37th Annual Statement to any of the Company's Agents or to

Head Office, Waterloo, Ont.

75

Railroad and Street Railway Earnings

Gross Earnings

—	Week ending	1907.	1906.	Changes.	From date mentioned to the last week for which earnings have been reported. Date.	1907.	1906.	Changes.
Canadian Northern	June 7	208,100 00	134,300 00	+ 73,800 00	July 1	6,738,100 00	5,085,300 00	+ 1,652,800 00
Canadian Pacific	June 7	1,554,000 00	1,237,000 00	+ 317,000 00	July 1	66,308,000 00	56,913,000 00	+ 9,395,000 00
Duluth, S.S. & Atlantic	June 7	69,516 00	62,164 00	+ 7,352 00	July 1	3,064,110 00	2,845,602 00	+ 218,508 00
Grand Trunk System	June 7	....	....	....	....	....	....	....
Minn., St. P. & S.S.M. (Soo) ..	May 31	377,727 00	266,396 00	+ 111,331 00	July 1	11,599,355 00	10,511,900 00	+ 1,087,455 00
Detroit United	May 31	....	....	....	....	....	....	....
Halifax Electric Tram	June 7	....	....	....	....	....	....	....
Montreal St. Ry.	June 7	70,728 08	63,956 93	+ 6,771 15	Oct. 1	2,117,508 62	1,871,735 70	+ 245,772 92
Toledo Railways	May 31	....	....	....	....	....	....	....
Toronto Railway Co.	June 7	62,182 49	59,185 04	+ 3,697 45	Jan. 1	1,352,539 30	1,219,462 67	+ 133,076 63
Twin City.........	May 31	163,218 00	153,162 00	+ 10,056 00	Jan. 1	2,300,118 00	2,054,869 00	+ 245,248 00

Net Earnings

—	APRIL 1907	APRIL 1906	Changes	Ten months. 1907	Ten months. 1906	Changes
Canadian Northern.						
Gross	569,900 00	544,800 00	+ 25,100 00	5,659,400 00	4,340,900 00	+ 1,318,500 00
Expenses	465,200 00	349,100 00	+ 116,100 00	4,232,400 00	2,855,100 00	+ 1,377,300 00
Net	104,700 00	195,700 00	− 91,000 00	1,427,000 00	1,485,800 00	− 58,800 00
Mileage	2,554	2,303	+ 251	Ave. 2,500	Ave. 2,000	+ Ave. 500
	MAY			Five months		
Illinois Traction Co.						
Railroad	231,638 94	173,188 05	+ 58,450 89	1,006,282 66	763,878 46	+ 242,404 20
Gas	18,596 50	18,032 41	+ 564 09	103,782 23	99,452 12	+ 4,330 11
Electric light	39,087 15	34,886 66	+ 4,200 49	219,177 32	200,420 24	+ 18,757 08
Steam heat	3,823 60	3,390 09	+ 433 51	65,056 91	59,130 91	[illegible]
Miscellaneous	729 02		+ 729 02	4,899 61		+ 4,899 61
Total gross	293,875 81	229,497 21	+ 64,378 60	1,399,198 73	1,122,881 73	+ 276,317 00
Expenses and Taxes	168,754 75	130,057 54	+ 38,697 21	798,773 35	641,045 95	+ 157,727 40
Net	125,120 46	99,439 67	+ 25,680 79	125,120 46	99,439 67	+ 25,680 79

IMPERIAL BANK of Canada

ESTABLISHED 1875

HEAD OFFICE - - TORONTO

Capital Paid-up - - $4,700,000
Rest - - - - 4,700,000

A GENERAL BANKING BUSINESS TRANSACTED.

Savings Department at all Branches. Interest allowed on deposits of One Dollar and upwards and credited four times a year.

TRAVELLERS' LETTERS OF CREDIT issued payable in all parts of the world.

1854 THE 1854

HOME BANK OF CANADA

Head Office: 8 King Street West, Toronto Branch

City Branches open from 7 to 9 o'clock
Every Saturday Night

78 Church Street,
Queen Street West, Cor. Bathurst,
Bloor West, Cor. Bathurst,

JAMES MASON, General Manager

A LEGAL DEPOSITORY FOR TRUST FUNDS

Under the laws of the Province of Ontario this Corporation is a legal depository for Trust Funds. On deposit accounts interest at

THREE AND ONE-HALF PER CENT.

per annum is paid or credited to the account and compounded

FOUR TIMES A YEAR

One Dollar opens an account. Accounts may be opened and deposits made and withdrawn by mail with perfect convenience. Every facility is afforded depositors.

Canada Permanent Mortgage Corporation, Toronto St., **Toronto**

INVESTORS PROTECTIVE ASSOCIATION, LIMITED

INVESTMENT BROKERS

307 KENNEDY BUILDING, WINNIPEG

Telegraphic Address:
"MINTRIAL" WPG.

Codes:
A. B. C. 5th Ed., Clough's, Western Union.

The
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SOVEREIGN BANK.

By-law to Reduce Capital Stock.

The Sovereign Bank of Canada hereby gives notice of intention to apply to the Treasury Board for the issue of a certificate approving of the By-Law below set out, and such application will be made as soon after this notice has been published for four weeks in the Canada Gazette and in a newspaper published in the City of Toronto as the Treasury Board can hear the application.

Shareholders' By-law No. VIII.

WHEREAS the capital stock of the Bank is Four Million Dollars divided into forty thousand shares of One Hundred Dollars ($100) each, and the whole of said capital stock is issued and fully paid up;

AND WHEREAS it is deemed expedient to reduce the said capital stock to Three Million Dollars divided into thirty thousand fully paid up shares of One Hundred Dollars ($100) each;

THEREFORE the shareholders of the Sovereign Bank of Canada, now assembled in annual general meeting, enact as follows:—

1. The capital stock of the Sovereign Bank of Canada is hereby reduced to Three Million Dollars, divided into thirty thousand fully paid up shares of the par value of One Hundred Dollars ($100) each, and the number of shares held by each shareholder at the time this By-law comes into operation is accordingly reduced in the same proportion, and the registers of shareholders shall be rectified and all other proper entries shall be made so that the said reduction may be properly made and the provisions of this By-law properly carried out.

2. Share certificates in such form as the Board of Directors may adopt shall be issued to the shareholders for the number of entire shares held by them respectively after the said reduction has been made, but no fractional part of a share resulting from the operation of this By-law shall be assignable or transferable on the books of the Bank. There shall however be issued to those who may be entitled thereto special certificates representing fractional parts of a share. Each such special certificate may state that the said fraction of a share may be combined with any other fraction or fractions of a share so as to produce an entire share or shares, and such special certificates and the fractions represented thereby shall for the purpose of being combined with another fraction or fractions of a share be assignable by instrument in writing, and the assignee shall be entitled to the benefit of the fractions represented thereby, and upon the production and surrender to the Bank at any time by the holder of special certificates representing fractions of shares sufficient to make up one or more entire shares of One Hundred Dollars ($100) each, such holder shall be registered as the holder of the entire share or shares so represented and a share certificate therefor shall be issued. A special certificate shall be issued for any remaining fractions.

IN WITNESS WHEREOF the corporate seal of the said Bank has been hereto attached and this By-law has been signed by the President and General Manager on the eleventh day of June, 1907.

AEMILIUS JARVIS, President.
F. G. JEMMETT, General Manager.

An Estimate of C.P.R.'s Year

AN INCREASE IN DIVIDEND IS MERE TALK.

However, Many Things May Happen Before October — The Earnings Will be Over 15 Per Cent. on Common

During the week there was a paragraph sent out from New York to the effect that C.P.R. would probably increase its return to shareholders from the interest on land sales, out of which last year it paid a bonus of one per cent. It is too early to prophesy any such action, which would not be taken in any event until just before the annual meeting in October. The policy of the Canadian executive of the C.P.R. in regard to dividends has been extremely conservative. At the same time they realize that they are trustees, because their proprietary interest is fractional, and the large bulk of shareholders is in Great Britain and Europe and desire that dividend returns should be, in a measure, proportioned to earnings. It was in deference to their wishes that last autumn a bonus of one per cent. was paid out of the interest account on land sales. This autumn a demand may arise for a further increase. At present it may be confidently stated that there is no intention formed in the directorate of paying an increased dividend in the autumn. Conditions may, however, change, and the English request for increased returns may become insistent. That a larger dividend can be paid may be amply demonstrated from the financial statement, the figures of which can be pretty well estimated up to June 30th, the end of the fiscal year. The net earnings will be easily more than $2,400,000. However, this figure can be cut down to less than $2,000,000 and the C.P.R. will earn 13½ per cent. on the common stock transportation account, to which are to be added other revenues that will easily bring the revenue up to 15 per cent.. The figures will work out, on a conservative estimate, in this fashion:

	1906-7	1905-6
Gross..	$71,200,000	$61,669,758
Operating exp. ..	46,400,000	38,696,445
Per cent. of gross	65.2	62.7
Net earnings .	$24,800,000	$22,973,313
Other income ..	1,969,447	1,969,447
Net income ..	$26,769,447	$24,942,760
Charges	8,500,000	8,350,545
Surplus.	$18,269,447	$16,592,215
Pref. dividends..	1,750,000	1,660,133
Bal. for com. ..	$16,519,447	$14,932,082
Earned on $131,-680,000 com. ..	13½ p.c.	12¼ p.c.

Allowance is made for working expenses to the extent of 65.2 per cent. of gross earnings, as compared with 62.7 per cent. in the previous year. This advance in the operating account directly affects the surplus earnings of the company to the extent of $2,000,000. Roughly speaking, it is the amount which the snow storms last winter, higher pay roll, etc., have cost the Canadian Pacific.

Out of this surplus of $16,500,000 a year the Canadian Pacific is paying dividends to the extent of about $7,300,000 per annum, or 6 per cent. on its stock. Nothing short of a complete collapse of railroad earnings could, therefore, place this 6 per cent. dividend in jeopardy.

In addition to this the Canadian Pacific is paying 1 per cent. from a fund created by the interest which is received from the deferred payments on land sales. The Canadian Pacific has received in land grants approximately 32,000,000 acres. Of this 6,793,914 acres were disposed of to the Dominion Government twenty years ago. About 12,000,000 acres have been sold to the public and about 13,000,000 acres remain unsold.

The proceeds of the land sales have been sufficient to liquidate the land grant bonds of the company and to leave a surplus as of last June, amounting to $16,382,000, in the form of deferred payments, representing the debt of the purchasers (secured by the lands themselves) to the road. The deferred payments bear interest at the rate of 6 per cent. per annum.

Figuring these deferred payments now to amount to $17,000,000, the Canadian Pacific has an income from this source of about $1,020,000 a year, and the amount should constantly grow until the 13,500,000 acres remaining are disposed of. There appears to be no inclination on the part of the Canadian Pacific to part with this huge equity, merely to distribute the interest on it. If this policy is followed it will in time doubtless amount to from $75,000,000 to $100,000,000.

In addition to the land account the principal equity for the common stockholders of the Canadian Pacific lies in the "Soo" road. This company is earning a surplus of about $3,250,000 a year, and $1,200,000 of this is being paid in preferred and common dividends. Of the $2,000,000 annual surplus remaining the Canadian Pacific owns about 51 per cent., although that item is not mentioned in the road's income account.

The New York Tribune says there is a large short interest in C.P.R. which may cause an up-turn at any time in the shares, as the market is pretty bare of this issue.

THE MERCHANTS BANK

Has a Banner Year—Profits Equal 16.27 Per Cent. on the Capital.

The Merchants Bank is coming into its own at last. It and the Bank of Commerce were two institutions organized at a period when a bank with a large capital was considered almost a necessity to cope with the growing business of the country. That was some forty years ago. Experience showed that the high ideas of their originators were in advance of the times and the banks were under the burden of having to meet a dividend on a capital which was larger than the immediate business warranted. Yet possessed of these resources, the Merchants Bank did a very considerable service in serving territory which only a well-capitalized institution could do. It had its ups and downs. It was a pioneer in the banking business of our great west and it suffered for its prevision. Those days are past, and after years of varying vicissitude, at one time causing a curtailment of capital, at another reducing the reserve, the Merchants, under the absolutely sound and conservative guidance of its present management, has in recent times fulfilled the best auguries of its launching, and now comes into port with a well-filled argosy. It is an example of the inherent investment merit of shares in a Canadian bank which is well administered. It has grown up to its capital resources and the future is extremely bright and likely to be productive of greater values for all those interested.

It completed its fiscal year on May 31st, and returns net profits of $961,660, or 16.27 per cent. on its capital, making the splendid gain of $221,262 over last year, or nearly 30 per cent. That the money thus earned is well distributed is evidenced by the fact that the sum of $400,000 is added to the reserve fund out of profits, a clean $100,000 is written off the bank premises account; the sum of $22,000 is contributed to the officers' pension fund; $480,000 paid in dividends, at the rate of 8 per cent., and a balance of $34,256 carried forward.

The balance sheet, in comparison with that of 1906, is interesting. The current loans have increased four and one-half millions. This department is under most careful scrutiny, and current loans in the Merchants Bank mean current loans without the derelicts and wreckage that may haplu in some rare instances be covered under this account. The deposits make a satisfactory gain, and omitting special conditions that sometimes happen to a bank carrying large railway accounts, show a large increase over the normal of past years.

A comparative statement between 1906 and 1907 is as follows:—

LIABILITIES.

1. To the Public.

		1907.	1906.
Notes in circulation		$4,152,560.00	$3,984.050.00
Deposits at call	$12,059,663.91		11,349,169.99
Deposits subject to notice, (interest to date included)	24,344,081.86		22,888,354.36
Deposits due to other banks in Canada	1,212,800.81		1,269,435.06
		37,616,546.58	
Balance due to agents in Great Britain		816,604.73	165,471.17
Bal. due to banks and agent in the United States		123,416.59	
Dividend No. 79		120,000.00	210,000.00
Dividends unclaimed		2,303.00	878.50
		42,831,430.90	39,867,359.08

2. To the shareholders—

		1907.	1906.
Capital paid up	6,000,000.00		6,000,000.00
Reserve fund	4,000,000.00		3,600,000.00
Surplus profits	34,256.25		74,596.19
		10,034,256.25	
		$52,865,687.15	$49,541,955.27

ASSETS.

		1907.	1906.
Gold and silver coin on hand		$1,571,175.29	$1,025,898.53
Dominion notes on hand		2,996,821.25	2,631,494.75
Notes and cheques of other banks		1,917,913.85	1,768,139.78
Balances due by other banks in Canada		8,089.20	3,550.46
Balances due by banks and agents in the U. S.			203,862.84
Call and short loans on bonds and stocks in Canada	$ 2,914,373.95		
Call and short loans on bonds and stocks in United States	3,461,179.86	6,375,553,81	6,898,410.32
Dominion and Provincial Government Securities		629,421.22	629,421.22
Railway, municipal and other debentures		6,302,425.10	6,365,708.64
Total assets immediately available		19,801,399.72	19,526,486.54
Time loans on bonds and stocks in U. S.		1,208,674.71	2,751,820.39
Current loans and discounts in Canada	30,554,233.16		
Less rebate reserved	216,254.53		
		30,337,978.63	25,836,690.08
Loans and discounts overdue (loss fully provided for)		115,531.31	58,387.35
Deposit with Dominion Government for security of note circulation		240,000.00	240,000.00
Mortgages and other securities, the property of the bank		133,645.12	144,965.33
Real estate		21,606.24	2,001.69
Bank premises and furniture		984,312.28	955,095.83
Other assets		22,539.14	26,508.06
		$52,865,687.15	$49,541,955.27

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Range of Prices for Week Ending June 14th.

—	Closing June 7	Open. June 8	High.	Low.	Last.
Amalg. Copper Co.	85½	85⅞	87⅝	81¼	82¾
Am. Car & Foundry	42	42	42⅜	40⅛	40¼
Am. Locomotive Co.	59½	59¼	59¾	55¾	55⅞
Am. Smelt. & Ref.	118¼	118½	120¼	113¼	114⅜
Am. Sugar Ref. Co.	119½	121	121⅜	119⅞	120
Am. Tobacco Co., pf.	92¼	93	93	91⅜	91¾
Am. Woolen Co.	25	25¼	25⅞	24⅞	24⅞
Anaconda Cop. Min.	56⅝	56¾	58¼	54½	55½
At., Top. & S.F.	88½	89	90⅜	87⅛	87½
Atlantic Coast Line	98¼	98⅛	98½	95½	95½
Baltimore & Ohio	94½	94½	96	92½	93
Brook. Rapid Transit	53⅝	54	56⅛	50⅝	51½
Canadian Pacific	168½	168¾	•170¼	167	167⅞
Chesapeake & Ohio	35¾	35½	36¼	33½	33⅝
Chi., Great Western	11	10⅞	11¼	10	10⅛
Chi., Mil. & St. Paul	127¼	127½	129¾	124¾	125⅛
C., C., C. & St. Louis	65	65½	66¾	64	65
Chi. & Northwestern	142	143½	145	141⅛	141⅛
Colorado Fuel & Iron	29½	30	32	29¼	29¼
Colorado & Southern	23	23	23⅞	23¼	23⅜
Consolidated Gas	120	118	119	116¼	116¼
Delaware & Hudson	166	167¾	171	163½	164¼
Den. & Rio Grande	23	25⅞	26⅛	25½	25½
Dul., S.S. & At.	10⅛	11	11	11	11
Erie	22	22¼	23½	22	22⅛
Erie, 2d pf.	35¼	36	37	36	36
General Electric	136	142	142½	138¾	138¾
Great Northern, pf.	127	127½	129¾	124⅜	126½
Illinois Central	135	135	135½	135¼	135½
Interb.-Metropolitan	18	18¼	18¼	15½	15⅞
Internat. Paper Co.	12½	13¼	13½	13¼	13½
Louisville & Nash.	112½	113	113½	110¼	110¼
Mackay Companies	66½	67	65⅛	64¼	64¾
Mackay Companies, pf.	66	66⅜	66¼	64	64
Mexican Central, pf.	20	20⅜	20¾	20¼	20¼
Minn. & St. Louis	....	....	....	....	....
M., St. P. & S.S.M.	101½	103	105¼	98	98
M., St. P. & S.S.M., pf.	127¼	131	132	128½	128½
Mo., Kan. & Texas	33	33⅛	33½	32¼	32
Missouri Pacific	74½	74½	76	74	74½
New York Central	111	112	114¼	111⅛	111⅞
N.Y., Ont. & Western	34⅝	35⅜	37	34	35
Norfolk & Western	74½	74⅞	75½	73	73
Northern Pacific	124	124⅜	127⅜	122¼	123
Pennsylvania R.R.	120⅝	120⅝	121⅞	118¾	119¼
People's Gas, Chi.	90⅜	90½	91½	89¾	89¾
Pullman Company	160½	162	162	162	162
Railway Steel Spring	41	41	40	40	40
Reading	104⅛	104¼	107⅛	99	99⅞
Rep. Iron & Steel	25⅜	26	26¼	25	25½
Rock Island Co.	21⅛	21¼	21⅞	19½	19½
Rock Island, pf.	43	46	46⅛	42	42
St. Louis Southwestern	19¾	20	20⅜	19½	19½
Sloss-Shef. Steel & Iron	56	56¾	56¾	55	55½
Southern Pacific	76	76¾	78	74⅜	75½
South. Railway	18⅞	19	19¾	18½	18½
Texas & Pacific	27	27	27½	26⅛	26¼
Union Pacific	135¼	135⅞	138	131⅛	132⅛
U.S. Rubber	35	37	37⅞	35	35
U.S. Steel	33⅞	34⅛	35	32⅛	32⅜
U.S. Steel, pf.	98	98½	99¼	97¼	97⅝
Wabash	12¼	12¾	13¼	13	13
Western Union Tel.	78½	80⅞	81	79	79
Wisconsin Central, pf.	36	36	....	....	....

THE SOVEREIGN BANK

The New President and Manager Announce Important Changes in the Policy of the Bank — Steps Making for the Permanency of the Institution.

The Fifth Annual Meeting of the Sovereign Bank of Canada was held at the Head Offices of the Bank, 28 King Street West, Toronto, on Tuesday, 11th day of June, 1907, at 12 o'clock noon.

The following were present :—Aemilius Jarvis, Randolph Macdonald, Donald McMillan, Arch. Campbell, M.P.; W. J. Baskerville, Ottawa ; John Gorman, Ottawa ; W. J. Ard, South River ; John Moore, Mount Albert ; J. S. Dougherty, Stouffville ; H. F. McNaughton, Toronto ; George A. Begy, St. Catharines ; H. J. Malloy, Stouffville ; E. A. Westland, Wyoming ; N. W. Blackwell, Toronto ; H. H. Beck, Toronto ; R. E. Cox, Montreal ; A. C. Macdonell, Toronto ; C. E. A. Goldman, Toronto ; W. J. Boland, Toronto ; Stanley Mills, Hamilton ; Thomas Baker, London ; R. P. Coulson, Stouffville ; David Smith, Toronto ; David Herring, Toronto ; Alex. Bruce, K.C., Toronto ; Richard Brown, Toronto ; C. B. McNaughton, Toronto ; J. T. Petrie, St. Catharines ; Geo. Barnes, St. Catharines ; A. McEdward, St. Catharines ; M. A. Thomas, Toronto ; James Hawken, Toronto ; R. E. Culbert, Linwood ; Geo. Collard, Stouffville ; John McLean, Thorold ; Bennison Pinder, St. Catharines ; F. Bullivant, St. Catharines ; L. M. Schenck, St. Catharines ; W. Tisdale, Toronto ; A. G. Peuchen, Toronto ; John Neelands, Toronto ; J. G. Heise, Stouffville ; A. H. Gregg, Toronto ; G. C. Martin, Hamilton ; S. Nordheimer, Toronto ; John M. Macnab, Claremont ; S. M. Warniner, Stouffville ; Alex. Hay, Unionville ; George C. Phelps, London ; George J. Aust, London ; William Moir, Hensall ; G. S. Burt, Owen Sound ; J. P. Raven, Owen Sound ; D. W. Heise, Gormley ; A. A. Voelker, Berlin ; E. Cork, Toronto ; W. P. Telfer, Owen Sound ; H. Logan, Beaverton ; G. N. Reynolds, Toronto ; James Lockie, Sr., Zephyr.

It was moved by Mr. Randolph Macdonald that Mr. Aemilius Jarvis take the chair. On taking the chair Mr. Jarvis appointed Mr. Jemmett as Secretary, and Messrs. A. C. Macdonell and R. H. Temple were elected scrutineers. Mr. Jarvis then said :—

PRESIDENT'S INTRODUCTORY REMARKS.

Before asking the Secretary to read the Directors' Report, it seems advisable that I should explain why I am your Chairman to-day. Until very recently I have not been a shareholder in this Bank, except to a very small extent, and I have not in any way been interested in its affairs. Upon my return from England in April last the large foreign interests which held stock in the Bank represented that they were not satisfied with the way in which it was being managed, and they intimated that they would like me to take the active Presidency. It was also stated to me that Mr. Macdonald, your late President, had expressed himself as anxious to be relieved of office, feeling that special attention at the moment was necessary, and that he had not the technical knowledge nor had the time to devote from his business, which takes him away from Toronto for long periods of time, to properly look after the Bank's affairs.

Apart from the dissatisfaction with the management, they stated that the Bank's methods had caused great irritation to the other Canadian Banks, who were in consequence not very friendly towards it, and they felt that owing to my close connection with a number of banking institutions I might be able at the present moment to bring about a better feeling with the other Banks.

My first duty on taking office was to ask the Board to appoint Mr. Jemmett, of the C. B. of C., as Joint General Manager, and Mr. Stewart was at once given leave of absence. Subsequently, Mr. Stewart sent in his resignation, which has been accepted, and Mr. Jemmett has been appointed General Manager. Mr. Cassels and Mr, Mackenzie had already been secured as Inspectors to make a quick report on the Bank's affairs, and from the day on which Mr. Jemmett assumed his duties he, together with myself and the Inspectors. has been continuously engaged in a revaluation of the Bank's entire assets. Had not Mr. Cassels and Mr. Mackenzie possessed some knowledge of the Bank's affairs it would have been impossible to have accomplished this work in the time allotted to us, namely, the period between the 1st of May and the present date. I am glad to say, however, that by constant work almost night and day we are now able to lay before you the true position of the Bank. In doing so I wish to say that I realize to the full the gravity of what we have found it necessary to do, and the keen dissappointment you will feel. The facts are that the Management was too anxious to build up a business quickly, and you are now to feel the effects of over-zeal and losses which have been incurred through unauthorized advances.

In the course of my investigation I find that some of our largest losses are in accounts never authorized or never reported to the Directors ; in fact, in some cases the Directors were kept in total ignorance of their existence, never having heard of them until brought to their attention by us.

Without further comment, therefore, we will enter on the formal business of the meeting, and I will call upon the Secretary to read the Directors' Report.

REPORT.

The Directors beg to present to the shareholders the Fifth Annual Report, covering the year ending 30th April, 1907, together with a statement of assets and liabilities as on 31st May, 1907. For reasons which will be apparent as we proceed, the Report this year deals also with events which have occurred since the closing of the books on 30th April last.

During the past year it became evident that the affairs of the Bank demanded more time than the then President could give, and he expressed his desire to be relieved of the Presidency at the end of the Bank's year. At a meeting of the Board, held on the 1st May last, his resignation was accordingly accepted. At the same meeting Mr. D. M. Stewart resigned from the Directorate, and Mr. Aemilius Jarvis was elected to the Board to fill the vacancy thus caused. Mr. Jarvis was subsequently elected President, in place of Mr. Macdonald, who consented to remain on the Board, and was elected Vice-President. Mr. J. H. Dunn, of London, England, who was here at the time in the interest of the Dresdner Bank, was also elected a Director.

It was represented to Mr. Jarvis that the duties of the Presidency would take up a considerable portion of his time, and that it would therefore be necessary to make his remuneration sufficient to compensate him for this. A resolution confirming this arrangement will be submitted for your approval.

The new President at once found it his duty to strengthen the Executive, and on the 6th May Mr. F. G. Jemmett, who had for 22 years been in the service of the Canadian Bank of Commerce and for the last five years Secretary of that Bank, became Joint General Manager, Mr. Stewart being at the same time granted leave of absence. Mr. Jemmett's first dury was to make as complete and exact a valuation as possible of the assets of the Bank, and the results of his valuation are given in his Report to the Board, which is as follows :—

GENERAL MANAGER'S REPORT.

The President and Directors,
The Sovereign Bank of Canada :—

Early in May last you offered me the position of Joint General Manager of this Bank, and on the 6th of that month I entered on my new duties, which, owing to Mr. Stewart's having been granted leave of absence, involved my taking at once full charge of the Bank.

Apart from the general supervision of the daily business of the Bank, the first task awaiting me was the valuation of the assets placed in my charge, and as there was an interval of only five weeks between the day on which I began work and the date set for the Annual Meeting of shareholders, I have had to devote myself to this valuation to the exclusion, as nearly as possible, of everything else.

In the very short time at my disposal it would have been impossible for me to have arrived at a definite conclusion without the invaluable assistance of the Chief Inspector, Mr. Robert Cassells, whom I have known for many years, and with whom I had for some time been intimately associated in the work of the Head Office of the Canadian Bank of Commerce. It is owing to the unwearied and intelligent aid of Mr. Cassells and of Mr. Mackenzie, the Inspector, both of whom entered the service some little time earlier than myself, that I have been able to complete my valuation by this date.

In the valuation of assets, amounting to $25,000,000, it is obvious that there is room for a wide difference of opinion, but when a distinct element of doubt is clearly present in any particular asset, the only right course for a conservative banker is to take the safe view of it, and to place a definite value only on that amount which can, without reasonable doubt, be recovered within some reasonable time. Any conjectural value which an asset may have—any value which rests entirely on the ability of some person to do something he hopes he may be able to do, and which, if he has good fortune, it is perhaps not unreasonable to think he may be able to do—should be clearly disregarded. The value, therefore, which has been placed on the Bank's assets is the value which we feel certain can be recovered not in all cases at once, but by the exercise for a reasonable time of care and patience.

The results of my examination made on the lines which I have indicated are as follows :—

I have to recommend that there be written off for bad debts $700,655.91, for depreciation in securities $150,607.95, and for reduction in Bank premises and furniture $18,109.25. In addition to the foregoing the sum of $541,494 should be set aside in Contingent Fund for accounts which are in liquidation, or in which there is a large element of doubt, and a further Contingent Fund of $800,000 should be provided in respect of certain unsatisfactory advances, the outcome of which is at present by no means clear. To do this it will be necessary to appropriate the whole of the Rest Fund, leaving the Bank with a paid-up capital of $3,000,000. After this has been done there will remain $25,252.50 to carry forward in the Profit and Loss Account of the current year. There is no question that this result will be a great disappointment to the Board, and it is with much regret that I find it my duty to advise you to this effect. My course, however, was clear—to take the facts as I found them, and to inform you as promptly as possible of the real condition of the Bank.

It would at the moment be of little use, and would be extremely distasteful to me, to enter into any criticism of the previous administration, or to try to account for the large losses which have occurred. The depreciation in securities is perhaps not more than should be expected in a year in which values have shrunk as they did last year, and I should hope that under favorable conditions a considerable portion of the amount written off should be recovered.

In the very nature of things a new Bank without a history to guide it is almost certain to incur losses which an older Bank would avoid. These considerations apply with special force in this particular case. The Bank has in the past been too ambitious. It has piled up its figures at an extraordinarily rapid rate, and it has paid the natural penalty for attempting to grow too fast, and for departing from the beaten paths of experience, which in banking more than in any other business it is most necessary to follow. But the losses which have been made are far too heavy to be explained in this way, and I ought perhaps to say that in many cases loans have been made for which sound banking principles offer no apparent justification, and under methods directly contrary to those which will be followed by the present management.

If my Report is adopted the figures of the Profit and Loss Account and of the General Balance sheet of the Bank will be as follows. It will be observed that the Profit and Loss statement is as of 30th April, with my adjustments made as an addendum. The general balance sheet is as of 31st May :—

Balance at credit of Profit and Loss Account on 30th April, 1906			$ 15,931.77
Net profits for the year ended 30th April, 1907, after deducting charges of management, Provincial Government and Municipal Taxes, Advertising Expenses and accrued interest on Deposits, and after making some provision for Bad and Doubtful Debts ...			243,027.16
Premium on new stock ...			25,950.93
			$284,908.93
Which has been apportioned as follows :—			
Quarterly Dividends at 6 per cent per annum—			
No. 13, paid 16th Aug., 1906...	$ 55,727.11		
No. 14, paid 16th Nov., 1906...	57,431.30		
No. 15, paid 16th Feb., 1907...	58.798.20		
No. 16, payable 16th May, 1907...	60,000.00		
	$251,956.61		
Transferred to Reserve Fund ...	$ 25,950.00		
Written off Safes and Office Furniture...	7,832.71		
		$ 265,739.32	
		$ 19,169.61	
To this have been added :			
Amount transferred from rest account...		$1,255,950.00	
Amount transferred from capital account ...		1,000,000.00	
			$2,275,119.61
Against the total thus arrived at the following amounts have been charged :			
Written off bad debts ...		$ 700,655.91	
Written off for depreciation in securities ...		150,607.95	
Written off Bank Premises and Furniture ...		48,109.25	
Reserved for unearned discount ...		9.000.00	
			$ 908,373.11
Transferred to Contingent Fund as a provision for Bad and Doubtful Debts in liquidation ...	$541,494.00		
Transferred to Special Contingent Fund as provision for certain accounts, the outcome of which is not yet assured...	800,000.00		
			$1,341,494.00
Balance carried forward in Profit and Loss Account ...			25,252.50
			$2,275,119.61

GENERAL STATEMENT.

31st May, 1907.

LIABILITIES—		
Notes of the Bank in circulation ...		$ 2,009,350.00
Deposits not bearing interest ...	$ 2,263,650.88	
Deposits bearing interest ...	11,737,564.61	
		14,001,215.49
Balances due to other Banks in Canada...		118,487.37
Balances due to Agents in Great Britain...		1,648,788.71
Balances due to other Banks in Foreign Countries ...		1,706,832.16
Dividends unpaid ...		3,928.50
Other liabilities ...		8,313.59
Capital paid up ...		3,000,000.00
Balance of Profit and Loss carried forward ...		25,252.50
		$22,522,168.31
ASSETS—		
Gold and Silver Coin ...	$ 212,447.81	
Dominion Notes ...	1,181,491.00	
		$ 1,393,938.81
Deposit with Dominion Government for security of note circulation ...		80,000.00
Notes of and Cheques on other Banks...		1,061,091.78
Balances due from other Banks in Canada ...		280,299.89
Government Bonds, Municipal and other Securities ...		1,801,200.87
Call and Short Loans ...		2,915,199.56
		$ 7,531,730.91
Other Current Loans and Discounts ...		14,458,778.00
Past Due Bills (fully provided for) ...		44,443.45
Real Estate (other than Bank Premises) ...		11,938.09
Bank Premises and Safes and Office Furniture ...		64,233.25
Other Assets ...		11,044.61
		$22,522,168.31

Toronto, 31st May, 1907.

So far as the future of the Bank is concerned, I have no hesitation in saying that its prospects are of the best. It will have a fully paid-up capital of $3,000,000, which we may be certain is absolutely intact, while in the Special Contingent Fund it has, I hope, the nucleus of a Rest Account, which I trust will within the next few years begin to assume respectable proportions. We have throughout Ontario and in part of Quebec a large and valuable business. Our country branches have as a whole been well selected—although we think it altogether likely that some of them will have to be closed—and our country Managers undoubtedly have the confidence of the farming and mercantile community. Our deposits have shown remarkable growth, and at the moment they amount to over $13,000,000, of which over 90 per cent, are of a thoroughly normal and healthy nature. Their growth has naturally been checked to some extent by the recent feeling of uncertainty, but now that this has been removed, now that we know our exact position, and that our assets on their present valuation are on as sound and clean a basis as any Bank could possibly desire, I have no doubt that the Bank will again make steady and continuous progress, and that the esteem in which it is held throughout the country districts will year by year increase. The Bank has its own distinct sphere of usefulness, and in working along safe, sound and conservative lines it will do its full share in contributing to the prosperity of the districts in which it is represented.

F. G. JEMMETT,
Joint General Manager.

Toronto, 8th June, 1907.

The results of this examination were a most painful surprise to your Board, but after the figures had been carefully revised by your President and considered by the Board, they deemed it necessary to confirm Mr. Jemmett's recommendation.

A by-law will be submitted to you reducing the Capital, and authorizing the necessary application to the Treasury Board for the confirmation of your action.

Mr. Stewart's resignation of his position as General Manager has been submitted to the Board and duly accepted. Mr. F. G. Jemmett, the Joint General Manager, has been appointed General Manager in place of Mr. Stewart.

You will observe that the Profit and Loss Statement submitted herewith is that of 30th April last, being the end of the Bank's year, with the additions of the adjustments made by the new Executive. The Statement of Assets and Liabilities is, however, as of 31st May, instead of the 30th April. This change has been made principally for the reason that as the President and General Manager only assumed their new duties on the 1st and 6th May, respectively, they could not possibly deal with the figures for the 30th April, a date before their responsibility began. In addition to this, it is felt that as the 31st May and 30th November are the dates on which a number of the other Banks close their books for the half-year, it is better that we should conform to the more general custom. A by-law will therefore be submitted for your approval, changing the date of the Annual Meeting from the second Tuesday in June to the second Tuesday in July. The only practical effect to the shareholders will be that they will receive their dividends in March, June, September and December, instead of on the present dates, and that the dividend payable in December next will be for four months, instead of three. The dividend for the current three months on the capital will be paid on the 16th August as usual.

Branches or sub-agencies have been opened at the following places during the past year :—

Beaverton, Ont.
Beebe Plain, Que.
Brampton, Ont.
Brechin, Ont.
Brome, Que.
Callender, Ont.
Durham, Ont.
Englehart, Ont.
Fletcher, Ont.
Haileybury, Ont.
Hamilton, Ont.
Harrietsville, Ont.
Lambeth, Ont.
New Liskeard, Ont.
New. York, N.Y.
North Bay, Ont.
Owen Sound, Ont.
Pefferlaw, Ont.
Queensville, Ont.
Sandwich, Ont.
South Woodsley, Ont.
Sprucedale, Ont.
St. Davids, Ont.
Stanstead, Que.
Stratford, Ont.
Tilbury, Ont.
Windsor, Ont.

AEMILIUS JARVIS.
President.

Toronto, 11th June, 1907.

THE PRESIDENT'S REMARKS.

In moving the adoption of the Report the President's remarks were :—

You have heard the Report of the Directors, in which is embodied the Report of the General Manager, and it is now my duty to move the adoption of this Report.

It may seem to some of you that it is expressed in very formal and cold-blooded language, but the Report, as you will understand, is the document in which the actual facts are recorded. For myself personally I wish to express to you my very sincere regret that it should have been necessary to lay this Report before you, but with the facts as they are we had absolutely no alternative. I can only hope that the progress which we confidently expect to make during the next few years will in course of time repay you all for the losses which you have made.

It may be thought by some that our valuations have been too drastic, but I unhesitatingly affirm that not one dollar has been treated as bad or doubtful that we do not honestly believe to be so. The basis of valuation has been that where we have no security whatever, and little or no prospect of recovering the debt, we have considered it bad and written it off. Where there is inadequate security and doubt as to the success of the particular business or venture upon which the security is based, or where the market price is at present against us, we have considered it doubtful and placed it in Contingent Account. There is no doubt in my mind at all that with an improvement in values and an easing of money a considerable portion of the money that has been placed in Contingent Account will be ultimately recovered, but we should be misleading you if at the present moment we did not provide for the worst.

Owing to the lack of time and the necessity for ensuring that the information did not become known outside, and used to the disadvantage of the shareholders at large, we have not printed this Report, but have had only a few copies typewritten. It will, however, be printed as quickly as possible, and a copy sent to each shareholder.

I now beg to move the adoption of the Report, which will be seconded by the Vice-President, Mr. Macdonald.

THE VICE-PRESIDENT.

Mr. Randolph Macdonald seconded the adpotion of the report, and in doing so spoke as follows :—

In seconding the Report which has been submitted to us, I feel very keenly the unfortunate position in which we find the Bank to be. As former President of the Bank I do not for one moment wish to evade any responsibility.

When Mr. Holt resigned the position of President I was very loth to assume the President's duties, preferring to remain Vice-President, feeling I was not possessed of the necessary Bank training, and having large contracts of my own to carry on could not devote the time needed. However, the Board desired that I take the position, and ever since then I have devoted as much of my time as I possibly could to looking after the affairs of the Bank, and have faithfully and honestly endeavored to carry on the work to make it a successful institution. It was found, however, that having the Executive offices in Montreal, and the General Manager residing there most of the time, that it was impossible to give that constant supervision to the affairs of the Bank that was necessary, and it is only fair to myself and the Directors to say that many large loans were made and accounts opened without my knowledge, or the knowledge or approval of the Board, and in some cases it was months afterwards before we became aware of them.

Our late General Manager was so successful in organizing the Bank and had succeeded in getting such a large amount of business, that the Board and myself naturally placed a great deal of confidence in him, and apart from a considerable depreciation in our securities, which we naturally expected, did not realize the position until a full investigation was made by the present General Manager.

I have gone over the figures presented by the new Executive and embodied in the Report, and I second the adoption of that Report, yet I believe and hope that the accounts will prove very much better than the Report would indicate, and with the present excellent organization and healthy business, with such a large amount of deposits, confidently believe that we will be able to realize a large share of the amounts which the present Management have considered it necessary to take. It is however, good business now, and we are, as it were, cleaning the slate to provide for every possible loss. This, I feel sure, has been done, and, as I stated before, though I think they have made more provision for bad debts than is necessary, yet it will redound to the credit of the Bank in other years.

In concluding, I can only express again my regret that the Statement was not more satisfactory. But with the active, energetic and businesslike President, who has a Bank training, and with the careful, assiduous and able General Manager, whom we have been so fortunate to secure, the Sovereign Bank will now take its place as one of the most prosperous and leading Banks of the country.

THE GENERAL MANAGER'S REMARKS.

Before putting the motion to the meeting, the President asked the General Manager to say a few words, and Mr. Jemmett then said :—

Now that my Report to the Directors and the Directors' Report to the shareholders have been read, it is not necessary that I should speak to you at any length. There are, however, one or two points on which I think it is well to say a few words.

In the first place, I want to express to you my personal regret that it should have been my lot to make a report on your property which cannot but be regarded by you all as most disappointing. For the facts as I have found them, I have, of course, no responsibility. The task which I had was to take these facts, ascertain what they really meant, and what the assets of the Bank were actually worth, and to place before the Board as quickly as possible the results of my examination.

This I have done, and my figures are before you. As I have said in my Report, I am sure that the Bank is now on a thoroughly sound basis, that you know the worst of it, and that you need have no apprehension regarding the future. If the present prosperity continues—and at the moment there seems little reason to doubt it—it is possiblethat from the amount which has been placed in the first Contingent Account some recoveries may be made, but the shareholders' wisest course will be to consider that the whole of that amount will be required to liquidate the debts against which it has been provided.

The position of the special Contingent Account is a little different. This account is provided mainly in order to meet possible losses on certain accounts which, from a banking standpoint, are in a very unsatisfactory condition. The full account of the advances in these accounts could not possibly be recovered at the present time, while the ultimate course of recovery is not yet within sight. It is quite possible, however, that the securities held against some or all of these debts may before long work into a better position, and that in the course of time they may enable us to liquidate the whole or the greater part of the debts against which they are respectively held. If this should prove to be the case, we should be able to transfer from time to time a substantial portion of this Contingent Fund into a Rest Fund.

We are now making a new start. We have a paid-up Capital of $3,000,000, all of which is absolutely intact. We have deposits amounting to more than four times our Capital, and in these and in the excellent business connections at home and abroad which we have, we possess an extremely valuable asset.

The country branches as a whole have been well chosen, and many of them have a business which is far more valuable than I could have anticipated. We have in our country Managers a loyal and enthusiastic body of men, who, during the last few months have shown very clearly that they possess the confidence and esteem of the different communities in which they are the representatives of the Bank.

In the fresh start that we are making, all this will count very heavily in our favor. The staff will, I am sure, turn again to their duties with the relief of knowing the exact position of the Bank, while the shareholders will, I trust, feel that with the ordinary good fortune the value of their property should increase considerably during the next few years. And in order that this may be the case, I trust that the individual shareholders, who are the owners of this property, will continue in the future to do all that they can to assist their Bank. Remember that you are the owners, we are only the managers. And I therefore wish to make if a personal request to every one of the Bank's shareholders that they will in every legitimate way promote the interests of their own Bank. That they do their own banking business with us may, I hope, be taken for granted. But in many ways, direct and indirect, the influence which our shareholders have in their different localities may often be of great advantage to the Bank. I hope that this influence will always be used in our favor, and that the shareholders will feel it their duty to join hands with the officers of the Bank in helping on in every way the progress of their own institution.

A ballot was then taken on the adoption of the Report, and it was declared by the scrutineers to be carried unanimously.

It was then moved by Mr. Randolph Macdonald, seconded by Senator McMillan :—

That By-law No. 8 to authorize the Directors to apply to the Treasury Board for permission to reduce the capital stock of the Bank by $1,000,000 be and is hereby adopted.

A resolution was then submitted changing the date of the Annual Meeting of the shareholders from the second Tuesday in June to the second Tuesday in July.

It was moved by Mr. G. C. Martin, seconded by Mr. Stanley Mills, That the Head Office and all branches be regularly inspected at least once during each year, and that the Chief Inspector, in addition to his annual reports to the General Manager and Board of Directors, be instructed to make a separate report direct to the President, and furthermore that at each Annual Meeting of the shareholders the President make reference to this resolution and state that he has received and examined such reports.

On the motion being put, the General Manager stated that what the mover had in view was already in force in one shape or another in every well conducted Bank, and that there was not the least objection to the resolution being passed. The motion was then carried unanimously.

On motion of Mr. W. E. McNaught, M.P.P., seconded by Mr. Randolph Macdonald, the meeting then proceeded to elect Directors for the ensuing year. On a vote being taken the scrutineers declared that the following gentlemen had been elected Directors :—

Aemilius Jarvis, Randolph Macdonald, A. A. Allan, Archibald Campbell, M.P., Hon. D. McMillan, Hon. Peter McLaren, W. K. McNaught, M.P.P., A. E. Dyment, M.P., Alexander Bruce, K.C., The meeting then adjourned.

At a subsequent meeting of the newly-elected Board Mr. Aemilius Jarvis was elected President for the ensuing year. Mr. Randolph Macdonald First Vice-President, and Mr. A. A. Allan Second Vice-President.

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THE TRADERS BANK

A NOTABLE ACHIEVEMENT IN THE BANKING BUSINESS.

The Difficulties Surrounding its Early Years — Bank Failures and Hard Times — It Breasted Them Successfully and Has Grown Like a Bay Tree — Its Advances in Ten Years Have Few Equals — The Return on the Decennial Investment 10.52 Per Annum.

The present prosperity of the Traders Bank in many respects is one of the most remarkable achievements in the history of Canadian banking. Established in the middle eighties, after one bank's non-success had not stimulated public confidence and in its earlier years another bank made a sensational failure, the auspices at its inception were not favorable. Then followed the depression of the early nineties. To have established and carried the institution through these times was a great achievement due to the very great ability and natural genius of the gentleman who is now the dean of the Canadian bankers, Mr. H. S. Strathy. Once the hard times were successfully breasted, the Traders' waxed and flourished like the proverbial green bay tree and its record of growth for the past ten years has had few equals. The Traders is fortunate in possessing a very talented financier as president, in Mr. C. D. Warren, and the quality of the work of the general manager has already been demonstrated.

An investment in its shares ten years ago would have netted the handsome return of 10.52 per cent. per annum if the holding had been determined in 1906.

This bank's year now ends on the 31st day of December, the date previous to 1906 having been May 31st, and in the following the years referred to are the bank's fiscal years.

Year	Capital	Rest	Profit and loss balance	Circulation	Total deposits	Total liabilities to the public	Total assets
	$	$	$	$	$	$	$
1897......	700,000	40,000	.....	676,000	4,235,000	5,114,000	5,887,000
1898......	700,000	50,000	.....	698,000	4,931,000	6,038,000	6,825,000
1899.......	700,000	70,000	.....	681,000	5,661,000	6,833,000	7,638,000
1900......	1,000,000	150,000	.....	987,000	6,528,000	7,975,000	9,177,000
1901......	1,344,000	250,000	13,000	1,192,000	7,673,000	9,192,000	10,846,000
1902......	1,350,000	350,000	11,000	1,138,000	8,890,000	10,538,000	12,295,000
1903......	1,500,000	450,000	15,000	1,440,000	10,882,000	12,735,000	14,760,000
1904......	2,000,000	700,000	23,000	1,869,000	13,311,000	15,771,000	18,574,000
1905......	2,997,000	1,100,000	35,000	2,111,000	15,810,000	18,091,000	22,330,000
1906......	3,000,000	1,250,000	61,000	2,310,000	20,491,000	23,550,000	27,973,000
1906*.....	4,323,000	1,900,000	44,000	2,924,000	23,728,000	26,651,000	33,000,000

*Seven months, December 31st.

It will be seen by the above that during the ten years and seven months the bank's

Capital increased	....	517 p.c.
Reserve "	....	4650 p.c.
Circulation "	....	332 p.c.
Deposits "	....	460 p.c.
Total assets "	....	460 p.c.

During the ten years and seven months the total amount transferred to the reserve fund was $1,860,000, of which $1,084,548 was from premiums on new capital and $775,452 from earnings.

The total written off against bank premises account was $25,000, the fund standing at the end of December, 1906, at $1,343,351.

The bank had at the end of December last 73 branches.

Year	Prop. of rest to capital.	Prop. of rest to assets other than specie and Dom. notes	Prop. of capital and rest to liabilities.	Rate of divd. paid	Rate of earning on capital.	Rate of earning on average market price of stock.	Percentage of divid. on market price of stock.	Book value	Average price of shares (Calendar year.)
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.		
1897.......	5.71	.73	14.47	6	5.97	....	....	...	...
1898.......	7.14	.78	12.42	6	7.84	7.40	5.66	...	106
1899.......	10.	.96	11.27	6	9.13	7.93	5.21	...	115
1900.......	15.	1.72	14.42	6	14.21	12.67	5.35	...	112
1901.......	18.59	2.56	17.35	6	12.11	11.21	5.55	120	108
1902.......	25.93	3.07	16.13	6	13.27	11.04	5.	127	120
1903.......	30.	3.26	15.31	7	11.44	8.22	5.03	131	139
1904.......	35.	4.02	17.12	7	12.61	9.35	5.18	136	135
1905.......	36.71	5.33	22.76	7	11.34	8.10	5.	138	140
1906.......	41.66	4.77	18.04	7	13.20	9.04	4.80	144	146
1906*......	43.95	6.17	23.35	7	11.45	8.18	5.	145	140

*Seven months, to December 31st.

Increases in capital offered pro rata to old shareholders, were made as follows:

1899—3 shares in 7 @ 110—market price, 115.

1901—1 share in 2 @ 110—market price, 110.

1903—1 share in 3 @ 130—market price, 139.

1906—2 shares in 3 @ 140—market price, 146.

A shareholder taking his allotment of new shares and selling it at the market price at the time of issue would, therefore, have received from this source profits on the par value of his holding of 2.14 per cent. in 1899; 3 per cent. in 1903, and 4 per cent. in 1906—an average of .95 per cent. for the nine years and seven months.

To sum up, an investment made in 1898 in Traders' Bank stock at 106, the current price, and sold out in 1906 at 140, the current price, would have returned the investor his principal intact and 10.52 per cent. per annum interest, made up as follows: Average dividend return on original purchase price, 6.28 per cent.; return on purchase price from average annual increase in selling price of shares, 3.35 per cent.; average return from sales of allotment of new stock, .89 per cent. Of course, an investor who held his shares prior to 1898, took up his subsequent allotments and still has them and his original holding, has received a somewhat greater advantage, through the present market price being greater than the average at which his allotments would have been sold.

When the balance of the issue of $2,000,000 new capital stock has been fully paid the bank's paid-up capital will amount to $5,000,000.

A GREAT WEEK FOR COBALT.

Shipments Were Over 533 Tons—The Largest in the Camp's History.

It is auspicious that the first week in June should mark a record week of shipments in the Cobalt camp. Eighteen carloads were sent out in five days, making a total of 533.45 tons. This is by far the biggest week reached in Cobalt. The Coniagas, with seven cars, is responsible for forty-five per cent. of the output. The many shareholders of the Foster will be pleased to see its name once more on the list, while the Drummond mine sends out its first carload this year. The Trethewey made its contribution of one carload, to the sum of $60,000, which is represented by ore reduced or available for shipment before July 1st. The shipment last week from the Temiskaming and Hudson Bay mine is said to be very rich. The shipments for the first five months and one week are 4,928 tons, or just 100 tons less than for the entire year of 1906. The values, however, are not running nearly as high:

Week Ending June 8.

	lbs.
Coniagas....	441,789
Nipissing	196,930
Silver Queen	124,580
Kerr Lake	94,000
O'Brien	64,520
Trethewey	61,000
Drummond...	44,090
Foster	40,000
Total lbs.	1,066,900
Tons	533.45

The shipments for year to date are:

	Lbs.
O'Brien	2,234,381
Nipissing	2,277,362
Coniagas	1,752,770
Trethewey..	932,518
Buffalo	763,170
La Rose.........	363,567
Silver Queen..	389,148
Green Meehan.........	196,790
Cobalt Central	141,877
Kerr Lake	249,000
Cobalt Townsite......	136,230
Foster..	140,350
University	61,385
McKinley-Darragh	60,000
Temiskaming	54,500
Hudson Bay	55,500
Red Rock	40,000
Nova Scotia	30,000
Right of Way	5,200
Drummond	44,090
	9,917,838
Tons..	4,958.92

The month of May, April 29 to May 31:

	Pounds.
Coniagas	682,920
O'Brien	557,290
Nipissing	433,310
Trethewey	229,020
Buffalo	82,770
Hudson Bay.........	55,500
Temiskaming	54,500
Townsite	46,070
Silver Queen	44,000
Cobalt Central	40,000
Right of Way	1,400
	2,226,780

The shipments for the first four months are as follows:

	Jan.	Feb.
Nipissing	623,701	457,620
O'Brien	419,831	390,110
Buffalo	279,000	120,000
Trethewey		178,648
Coniagas	174,220	108,580
La Rose	123,500	175,067
Silver Queen	125,683	94,885
Green Meehan	61,210	68,380
Foster	43,600	56,750
Kerr Lake		75,000
Cobalt Central		66,957
University	61,385	
McKinley-Darragh	60,000	
Cobalt Townsite	47,160	
Nova Scotia		30,000
Total lbs.	2,019,290	1,821,997

	March.	April.
Nipissing	565,801	
O'Brien	403,470	389,160
Buffalo	241,400	40,000
Trethewey	296,440	167,410
Coniagas	127,920	217,350
La Rose	65,000	
Green-Meehan		67,200
Cobalt Central	34,920	
Foster		
Kerr Lake		80,000
Cobalt Townsite	43,000	
McKinley-Darragh		
Red Rock	40,000	
Right of Way	3,800	
Totals lbs.	1,821,751	961,120

ELECTRIC RAILWAY BONDS

In amounts of $500, yielding $5\frac{1}{2}$%.
Bonus of 50% of stock.

Write for Information to

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DOMINION TEXTILE.

The common stock of the Dominion tile Company has been listed on the Montreal Stock Exchange. There is $5,000,000 of this stock outstanding and $7,500,000 authorized. Quotations range from 40 to 50.

The Montreal correspondent of Saturday Night says: "The little pool which owns the Dominion Textile common stock has come into its own. Upon it a dividend of one and one-quarter per cent. has been declared. This stock, which has a par value of five million dollars, was originally taken up by a syndicate of twenty-one members, being those who organized the present Dominion Textile Company. The stock they distributed among themselves in lots ranging from five thousand shares downward, this being a method of paying themselves for their trouble in the reorganization, as it was bought up by them at ten cents on the dollar, and no outsiders or stockholders in the merged concerns were ever given an opportunity to subscribe at ten cents on the dollar, or at any other price. That Herbert S. Holt, Hon. L. J. Forget, Rodolphe Forget, C. B. Gordon, James Rodger, H. V. Meredith, David Yuile, and the other members of the syndicate have been well paid for their endeavors is evident, now that this stock is on a dividend basis.

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Manager.

A CHANCE MEETING

And What Came of it—One Beginning of a Trans-Continental.

Now that the scheme of an "All Red" route to Australia and New Zealand, via Canada, is a settled plan, I wonder, says the Captious One in the Toronto Sunday World how many realize what such a route means in history. Half a century ago Canada's three and one-half million square miles were looked on as mainly consisting of wild and almost impassible country. The possibilities of a railway across the Atlantic and the Pacific would have been scouted as a dream. Two such railways now exist, and a third is planned that will still further reduce the time for the journey from England to the far east. All this space-annihilating arose out of a chance business transaction in a drapery establishment in St. Paul's churchyard. One summer day in 1850 a Canadian customer looked in. To his surprise the assistant who attended him was his own cousin, whom he had last seen when he had left Scotland some years before. The cousin needed little inducement to go to Canada to assist in running a drapery business in Montreal. They prospered. In a few years the cousins, then interested in questions of transport, projected the Canadian Pacific Railway. So well did they organize and direct the work of this enormous undertaking that the line was completed in six years less than the guaranteed time. The drapery assistant is now Lord Mount-Stephen. His cousin is Lord Strathcona, high commissioner for the great Dominion that owes so much to them both.

WORTH ONE HUNDRED MILLIONS.

An analysis of last year's American invasion was made and the result was astonishing, says James Creelman, in Pearson's Magazine. By counting up the declared value of money and effects carried into Canada by American settlers in 1906 from four states, Michigan, Montana, Illinois and Massachusetts, it was found that the average wealth brought across the border from these states was $809 for each settler. This average for the four states amounted to a total of $6,376,420.

As the number of Americans who crossed the frontier during the year was 61,282, the whole value of the possessions they took with them was approximately $49,586,138.

Not only did last year's American settlers in Canada transfer $49,586,138 in money and other movable property into Canadian territory, but the economic value of an immigrant being not less than a thousand dollars, it is plain to be seen that the United States lost, and Canada gained, at least $100,000,000 in last year's amazing migration.

Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve Funds Profit and Loss	Last Dividend		STOCK	Range for year 1906		Range for 5 months, 1907				Closing one year ago, June 14.		Friday, June 14.		Range for week ending June 13, in market of activity				
					Date	Per cent.		High	Low.	High	Date	Low	Date	Ask	Bid	Ask	Bid	First	High	Low	Last	Sales
							BANKS															
50	10,000,000			5,000,000	1st June	q. 2	Commerce	190½	169½	180	Jan.	170	May	179	....		171	172	172	170	171	70
50	3,588,464			4,547,310	1st Apr.	q. 3	Dominion	283	262½	267	Jan.	237	Mar.	275½	274½	237½	235	237	237	236½	236½	87
100	2,470,210			2,470,210	1st June	q. 2½	Hamilton	233	210	217	Jan.	204	April	....	....	205						
100	4,773,948			4,773,948	1st May	q. 2¾	Imperial	254½	225	230	Jan.	217	Mar.	248	247½	221	219	220	221	220	221	39
100	6,000,000			3,600,000	1st Dec.	q. 2	Merchants	176	160½	170	Jan.	159	May	172	170½		160	160	160	160	160	4
100	1,000,000			1,000,000	1st Apr.	q. 2	Metropolitan	202⅝	192	192½	Mar.	192	Mar.	....	202⅝							
100	3,261,090			3,261,090	1st Apr.	q. 2½	Molsons	230	204½	215½	Jan.	200	May	230	228		*200	203½	°205	203½	203½	18
100	14,400,000			11,000,000	1st June	q. 2½	Montreal	261	252½	257	Jan.	243½	May	256½	255		244	243¾	245	243¾	245	68
100	3,000,000			5,250,000	1st Apr.	q. 3	Nova Scotia	297½	273	293	Jan.	286	May	287½	272½	*288						
100	3,000,000			3,000,000	1st June	q. 2½	Ottawa	233	222	226¾	Feb.	220	Mar.	227	225	226						
100	2,500,000			1,150,000	1st June	q. 1¾	Quebec	145	139½	145	Mar.	134	May	150	142			132	132	132	132	9
100	3,900,000			4,390,000	1st Apr.	q. 2½	Royal	247½	222	242	Jan.	234½	May	236	228½	*232½						
100	3,000,000				16th May	q. 1½	Sovereign	155½	133					140	139¾		106					
50	1,535,955			1,635,955	1st June	q. 3	Standard	250½	223	230½	Feb.	220	April	....	....	220		218	218	218	218	55
100	3,984,750			4,484,750	1st June	q. 2½	Toronto	251	222	235½	Jan.	*215½	May	....	....		218	219	219	219	219	3
100	4,349,760			1,900,000	1st Apr.	q. 1¾	Traders	155	138½	140	Jan.	135	May	....	†140		134½	136	136	136	136	21
100	3,000,000			1,500,000	1st June	s. 3½	Union	158	143½	152	Jan.	143½	May	....	154							
							TRANSPORTATION															
100	121,680,000	42,720,000	101,519,411		1st Apr.	s. 3½	Canadian Pacific Railway	201	155¾	195⅛	Jan.	*156½	Mar.	160	158¾	167¾	167½	168	169½	168	168¼	85
100	12,500,000		21,162,000	1,546,272	1st May	q. 1¼	Detroit United	102	79¼	84½	Jan.	65	Mar.	95½	94½	61¾	61½	65	66	61½	61¾	962
100	12,000,000	10,000,000	20,000,000				Duluth	21	16¾	14	May	14	May	20	18½							
100	1,350,000		600,000	252,053	1st Apr.	q. 1½	Halifax Electric	108	100	104½	Jan.	*94	Mar.	110	106	100½	98	99	100	99	100	14
100	7,500,000		8,311,561				Havana Electric	50	35	45½	Feb.	40	Mar.	....	47½							
100		5,000,000			15th Apr.	q. 1	Havana Electric, preferred	97⅞	79	86	Jan.	70	April	....	....							
100	6,395,500	3,274,300	20,030,500		1st Apr.	q. 1½	Illinois Traction, preferred	101½	88½	94½	Feb.	*85	Mar.	96½	95⅞	86	84	85	87	85	85¼	75
100	14,000,000	7,000,000	51,865,000		15th Apr.	s. 2	Minn., St. P. and Sault Ste. Marie			136¾	Jan.	91	May	....	157¾		97½	105	105	101	101	75
100	9,000,000		2,473,333	524,770	1st May	q. 2½	Montreal Street	284	211	239	Jan.	202	Mar.	281⅞	281¾	208	206	210	210	206	206	240
100	840,000			87,100	19th Jan.	a. 6+1½	Northern Navigation	110¼	80½	104	Jan.	89	Mar.	96	95			90	90	90	90	6
100	7,938,900		10,385,000		15th June	q. ½	Northern Ohio Traction	33¼	27	30⅝	Jan.	26	April	32	*30							
100	3,132,000		323,146	362,500	1st June	q. 1¼	Richelieu and Ontario	88¼	69¾	82⅞	Jan.	70	Mar.	85	83	70	69	70	70½	70	70	214
100	21,993,900		23,284,000				Rio de Janeiro	48	38½	48¼	Jan.	38⅞	Mar.	....	....	42½	42¼	43	43	42	42	402
100	563,300			115,996	1st Jan.	s. 10	St. Lawrence & Chi. Steam Nav. Co.	148	120	125	Jan.	120	April	134½	133½			123	125	123	125	35
100	8,026,637		6,000,000	1,785,718	1st Apr.	q. 2	Sao Paulo	146	125	138½	Jan.	117⅞	Mar.	143	141⅞		122½	121½	121½	121	121½	305
100	12,000,000		10,866,000		2nd May	s. 1	Toledo Railway	36¼	25	29½	Jan.	23¾	Mar.	34	32½	25¾	25	25¾	25¾	25½	25½	75
100	8,000,000		3,613,373	2,130,708	1st Apr.	q. 1½	Toronto Railway	126	112	115¾	Jan.	*100	Mar.	119¼	119	103½	*101½	104¾	104¾	103	103	427
100	9,000,000	2,600,000	6,993,000		1st Apr.	q. 1¼	Tri-City. preferred	95	88½	90½	Jan.	85⅞	April	....	....							
100	1,164,000		720,000	124,781	10th Apr.	q. 1¼	Trinidad Electric	92	80	78¾	April	70	April	....	....							
100	20,100,000	3,000,000	16,546,000	1,281,348	15th May	q. 1¼	Twin City	122¼	102½	108¾	Jan.	87¾	Mar.	113⅞	†113½		92	92	°93½	92	92	510
100	4,500,000		5,000,000	908,688	1st Apr.	q. 2	Winnipeg Electric	190	160	186	Feb.	175	Feb.	*185	...	172	166	172	172	172	172	25
							TELEGRAPH, LIGHT AND POWER															
100	10,625,000		3,363,000	3,849,846	15th April	q. 2	Bell Telephone	158¾	145	145	Jan.	†125	Mar.	155	151			136½	136½	136	136	123
50	2,500,000			2,004,149	1st May	q. 2½	Consumers Gas	209	200	206	Jan.	196	May	208	206	193	192	194⅞	196	192¼	192¾	456
100	41,380,400				1st Apr.	q. 1	Mackay, common	77⅞	57⅞	75⅛	Jan.	63¾	Mar.	76½	76⅛	65½	65	66¾	67	66	66½	622
100		50,000,000		727,547	1st Apr.	q. 1	Mackay, preferred	76⅛	68	71½	Jan.	66	Mar.	75½	74⅞		64½	66½	66½	65	66	1,005
100	13,585,000		12,000,000	1,050,428			Mexican Light and Power Co.	70	47½	57½	Feb.	45½	April	61	60¾	49	45	48	48	46½	46½	225
100	17,000,000		8,464,000	1,201,158	15th May	q. 1¼	Montreal Power	99½	86	94⅞	Jan.	81¾	Mar.	95⅛	94¾	87½	87	89½	89¾	86¼	°87	729
100	2,997,900		1,000,000	518,057	1st Apr.	q. 2	Toronto Electric Light	171	152	160	Jan.	142	Mar.	155	154	150						
							INDUSTRIALS AND MISCELLANEOUS															
100	4,700,000	300,000		1,969,354	31st Mar.	q. 2½	Canadian General Electric	155	130	136½	Jan.	120½	Mar.	145⅞	145	....	123½	125	127	125	126¾	307
100	20,000,000	5,000,000	9,642,000				Dominion Steel, common	34¼	20½	25	Jan.	16¾	Jan.	30½	29⅞	20½	19½	21	21¼	20½	20½	1,695
100	5,000,000						Dominion Steel, preferred	83½	60	66½	Jan.	48½	Mar.	79½	78	52	51⅜	52½	54	51	51⅜	145
100	15,000,000		5,612,164	1,825,940	2nd Apr.	q. 1	Dominion Coal	84½	58	70½	Mar.	57	April	80	79	59½	58					
100		3,000,000			1st Feb.	s. 3½	Dominion Coal, preferred	122	112	112	Feb.	106	May	119	...			106	106	106	106	10
100	5,000,000	1,854,397	7,337,160	1,394,000	15th April	q. 1¾	Dominion Textile,, preferred	109¾	95¼	*99	Jan-	88	May	105	103	89½	88	90	90	89	89	115
100	2,000,000		1,000,000	528,003	20th April	s. 3	Lake of Woods Milling	100	89	90	Feb.	75	Mar.	95	....	75	70	75¾	75¾	75	75	185
100		1,500,000			11th June	q. 1¾	Lake of Woods Milling, preferred	115	108	112	Feb.	*106¾	Feb.	115	111½	110						
100	700,000			227,417	8th Jan.	bal. 4½	Montreal Steel	114	97	98½	Feb.	96	April	....	....	98						
100		800,000			8th Apr.	q. 1¾	Montreal Steel, preferred	115	106	106	May	105	Feb.	....	....	105		105	105	105	105	44
5	6,000,000			15,577	20th Apr.	q. 3	a Nipissing Mines Co.			15	Jan.	11	Mar.	....	....	12½		12¼	12½	11⅞	11⅞	395
100	4,987,600		3,752,000	2,617,051	15th April	q. 1½	Nova Scotia Steel, common	74½	60	79	Feb.	68	Jan.	69	67½	70	69	70	70¼	69	69	150
100		1,030,000			15th April	q. 2	Nova Scotia Steel, preferred	125	118	*120	Jan.	112	April	....	....							
100	1,250,000		1,000,000	1,209,370	Sept.	a. 7	Ogilvie Flour															
100		2,000,000			1st June	q. 1¾	Ogilvie Flour, preferred	130	123	121	Feb.	111	April	128	124	115½						

*Ex-div. †Ex-allotment a.—Quotations per $5 share. °Less than ten shares.

Inactive Stocks

Par Value	Common Stock Outstanding	Bonds, Preferred Stock or Deben'res Outstanding	Reserve and Contingent.	Last Dividend		STOCK	Range for year 1906		Latest price		Last Sale
				Date	Per cent.		High	Low	Ask	Bid	
						BANKS					
243	4,866,666		2,238,666	5th Oct.	s. 3	British North America	146½	141		152	151½
100	2,947,030		1,860,000	1st Apr.	q. 2	Eastern Townships	163½	160		161	160½
100	2,430,120		1,600,000	1st June	q. 2	Hochelaga	163	†144	148		149
30	1,744,578		600,000	1st June	q. 1¾	Nationale	124	121			120
100	709,300		1,195,295	1st Apr.	q. 3	New Brunswick			275		272
						LOAN AND TRUST					
50	630,200	1,032,603	283,000	2nd Jan.	s. 3	Agricultural Loan				127	122
100	1,004,000	3,138,798	515,000	2nd Jan.	s. 3 plus 1	Canada Landed	125	117½		*118½	122½
10	6,000,000	13,857,807	2,450,000	1st Jan.	s. 3	Canada Permanent	131	124		*121	125
100	1,500,000	4,673,890	1,050,000	1st Apr.	q. 2	Central Canada	172	160		160	165
10	2,398,701	p 2,456,900 d 147,413	119,808	1st Jan.	s. 3	Col. Investment, preferred	89	75	75	*74	74½
50	934,617	394,045	107,590	31st Dec.	s. 2	Dominion Savings	73	70		71	71
100	1,100,000	1,671,417	504,080	2nd Jan.	s. 3	Hamilton Provident	124	120		123	123½
50	1,900,000	5,271,479	1,600,000	2nd Jan.	s. 4½	Huron and Erie	188½	183		*180½	186
100	735,481	547,746	78,720	2nd Jan.	s. 2½	Imperial Loan	70	70			70
100	700,000	1,005,434	310,000	2nd Jan.	s. 3	Landed Banking	125	121		*121	124
50	1,000,000	2,243,355	264,310	2nd Jan.	s. 3	London and Canadian Loan	111¼	105	108		106½
50	686,891	518,919	134,000	1st Jan.	s. 3	London Loan and Savings					119
25	500,000		438,096	15th Mar.	s. 3½ plus ½	Montreal Loan	138	*133¼			133
£10	£150,000	£598,225	£145,000		5 s. plus 2½	North of Scotland					
100	1,000,000		450,000	2nd Apr.	1¾	National Trust	157	155		157	154
50	1,200,000	1,594,326	685,000	2nd Jan.	s. 3¼	Ontario Loan and Debenture	140	128¼		*131¼	134½
40	373,720	119,260	82,500	2nd Jan.	s. 2½ plus ½	Real Estate Loan	90	85			87
100	1,000,000		375,000	2nd Jan.	s. 3¾	Toronto General Trusts	160	140			*140

Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend		STOCK	Range for year 1906		Latest price		Last Sale
				Date	Per cent.		High	Low	Ask	Bid	
50	724,550	1,274,108	305,000	2nd Jan.	s. 3	Toronto Mortgage Co	115½	105½		109	109½
100	1,000,000	1,105,536	580,000	1st Apr.	q. 1½	Toronto Savings					126
						OTHER COMPANIES					
25	850,000	550,000		3 % passed		British America Assurance	98	97			97
100	1,511,400	1,270,000		3½ for 6 mos. Nov. 20, '05		British Columbia Packers, pfd	80½	59¾			80
100	2,700,000	b 2,000,000		15 Mch	1	Canada Col. Cotton	60	45			54¾
400	1,000,000		44,865	1st Apr.	4	Canada Life Assurance	163	163			155
100	3,000,000			Mch.	q. 1	Canadian Converters, Limited	60	60	60½		58½
100	500,000		46,333	1st Apr.	q. 2	Canadian Salt	110½	*108			108
12½	733,841			a		Canada North-West Land	500	400			435
100	565,000		30,000			City Dairy	38	21½	37		35
100	346,350			2nd Apr.	1¾	City Dairy, preferred	94½	*82½	90		88
100	100,000			1st Jan.	s. 7½	Confederation Life Association	285	272½			285
50	1,000,000			15th Apr.	q. 1½	Dominion Telegraph	121	*119		120	120
100	1,700,000	2,895,700		15th Jan.	s. 2¾	Hamilton Electric Power, pfd					
100	450,000			1st Apr.	q. 1½	Imperial Life Assurance	149	149			150
100	500,000	b 344,000	90,474	Mch.	s. 3½	Intercolonial Coal	90	84			85
100		219,700		Mch.	s. 3	Intercolonial Coal, preferred					100½
100	1,600,000	b 1,200,000		1st Feb.	s. 3	Laurentide Paper	107½	89½			93
100		1,200,000		1st Apr.	q. 1¾	Laurentide Paper, preferred	114¾	100½	108	104	106
100	404,610	b 102,083	75,000	1st June	s. 3	London Electric	95	89¾			89¾
40	531,792	b 500,000		31st Dec.	s. 3¾	London Street	97½	97½			97½
100	3,000,000	b 350,000		15th Mch	q. 1¾	Montreal Cotton	135	122		118	118
40	2,000,000		98,098	15th Apr.	q. 2	Montreal Telegraph	171	162		156½	158
100	701,700	b 111,000	123,953	2nd Jan.	s. 4	Niagara Navigation	133½	117	*120		124
100	925,000	b 819,000				Niagara, St. Cath. and Toronto	80	75		75	80
100	998,200	500,000	230,564	2nd Apr.	q. 2½	Ottawa Electric Railway					
20	1,500,000	1,000,000		passed		Western Assurance	98	96			96
100	600,000	b 1,100,000		Dec.	s. 4 plus 1	Windsor Hotel	*105	100			107½

NOTE.—s means semi-annually; q.—quarterly; plus indicates bonus; b. means bonds. p.—Preferred stock. d.—Debentures. o.—Less than ten shares. a.—$12.50 per share return of capital payable March 15, 1907.

THE FINANCIAL CALENDAR.

Week ending June 22

Annual Meetings.

June 18—Toronto Stock Exchange,
June 19—Merchants Bank.
—Standard Bank.
June 20—Union Bank of Canada.

BANK CLEARINGS.

Regina Will Inaugurate a Clearing House—Gains in Most Places.

The bank clearings for the week show gains all over Canada, except in Montreal and Halifax, where there is a small decrease. Winnipeg, Ottawa, Victoria record large gains. The commercial activity would appear to be unimpaired, as it is not confined merely to the western cities, where the great influx of population would account in a measure for the gain.

Regina is to be the next city to establish a clearing house. At a meeting of the local managers this week it was decided to take this step, subject to the approval of the head offices. The secretary of the Canadian Bankers' Association, who is also manager of the Montreal clearing house, Mr. J. T. P. Knight, will be asked to furnish the necessary information.

Week ending June 13.

	1907	1906.
Montreal	$29,027,730	$30,620,465
Toronto	25,962,201	24,085,380
Winnipeg	11,704,742	8,369,731
Vancouver	3,673,468	2,049,245
Ottawa	2,965,375	2,004,503
Quebec	2,230,344	1,814,275
Halifax	1,858,488	1,959,993
Hamilton	1,665,890	1,409,635
St. John	1,417,177	1,078,081
London	1,236,424	1,083,737
Victoria	1,253,494	670,823
Calgary	1,365,960	
Edmonton	937,747	

Mr. B. B. Francis, of Warden & Francis, who make a specialty of electric bonds, said they had bought none lately.

THE BOND MARKET

Week ending June 14, 1907.

BONDS	Rate	Closing		Sales Week June 13
		Asked	Bid	$
Bell Telephone Co.	5	106½		
Can. Colored Cotton Mills Co.	6			
Commercial Cable Co.	4			
Dominion Coal Co.	5			
Dominion Cotton Mills Co.	6		95	
Dominion Iron & Sreel Co.	5		75	3,000
Dominion Textile Co., Series A.	6	91	87	
Do. Do. Series B.	6		88	2,183
Do. Do. Series C.	6	91	87	2,250
Do. Do. Series D.	6			
Electrical Development Co.	5	79		2,500
Halifax Electric Tramway Co.	5	101	98	3,000
Havana Electric Railway Co.	5			
Intercolonial Coal Co.	5			
Keewatin Flour Mills	6			1,000
Lake of the Woods Milling Co.	6			1,000
Laurentide Paper Co.	6			
Magdalen Islands	6			
Mexican Electric Light Co.	5	77½	76½	
Mexican Light & Power Co.	5	81¾	81⅝	21,000
Montreal Light, Heat & Power Co.	4½			
Montreal Street Railway Co.	4½			1,000
Nova Scotia Steel & Coal Co. 1st Mtg.	6	112¼	109½	5,000
Do. Do. Cons. Mtg.	6	103	99	
Ogilvie Flour Mills Co.	6			3,000
Price Bros. Co.	6			
Rio de Janeiro Tramway, L. & P. Co.	5	77	76	9,000
St. John Railway	5			
Sao Paulo Tramway L. & P. Co.	5	92		
Winnipeg Elec. Street R'y. Co.	5			
Montreal City, Stock	7			
Montreal City, Stock	4			

Mr. W. C. Brent has bought $7,300 4½ per cent. 30-year debentures of the town of Oshawa. This appears to be the only wholesale transaction this week.

Mr. A. E. Goldman, of Aemilius Jarvis, summed up the situation as follows: "We are dealing only in options at present. We are not buying outright. Buy to-day—you don't know what they will be worth to-morrow. You can be sure they will be worth less. There is absolutely no use buying bonds to-day. The returns on bonds will have to come up to what money is worth. That is 6 per cent. Till the price of bonds comes down to this there will no little done. This is the situation in a nutshell."

Mr. W. H. Lyon, of the Dominion Securities Corporation, stated that his company had bought practically no issues this month, and he wished they hadn't bought any for the last two months.

Mr. Boyes, of Brouse, Mitchell & Co., when The Post asked him if his firm had bought any bonds, replied, "Haven't got a bond, and we're glad we haven't.

CURB QUOTATIONS.

Week ending June 14, 1907.

NAME	Stock Issued.	Acreage.	Week ending June 13.			Closing bid June 14
			High	Low	Sales	
Abitibi & Cobalt Mining Co.						
Beaver Consolidated Mines	1,000,000	20				
Buffalo Mines Co.	900,000	40				
Cobalt Silver Queen	1,500,000	58	1.10	1.04	1,000	
Cleveland Cobalt Silver Mines	1,000,000	114				
Coniagas	4,000,000	40	4.10	4.05	986	
Empress Cobalt	500,000	40				
Foster Cobalt Mining Co.	1,000,000	40	.90	.81	13,075	.80½
Green-Meehan Mining Co.	1,500,000	40	.42	.39½	1,050	
Kerr Lake Mining Co.	3,000,000	52				
McKinley-Darragh-Savage Mines	2,000,000	120				
Nova Scotia Silver Cobalt M. Co.	1,800,000		.25	.19½	3,100	
Peterson Lake	2,500,000	225	.32	.29½	1,000	.25
Red Rock Silver Mining Co.	1,000,000	30				
Rothschild Cobalt Co.	500,000	40				
Silver Leaf Mining Co.	5,000,000	40	.08½	.08½	1,200	.11½
Stanley Smelters	500,000					
Temiscaming Mining Co.	2,500,000	210				
Trethewey	1,000,000	40	.80	.69½	31,060	.63½
University Mines	1,000,000	56				

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	Week ending June 13.			Closing bid June 13
			High	Low	Sales	
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000				
Consolidated Mining & Smelting	4,698,886					105
Consolidated Rubber Bonds	2,141,300	822,200	90	90	$300	88
Consolidated Rubber Stock, Pref.		2,600,000b	80	80	43	
Canada Cycle & Motor Co.	800,000					
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000	84	84	$2,000	84
Dominion Park Stock	400,000	250,000				
Havana Central Bonds	6,250,000	6,250,000				70
Illinois Traction Com.	5,810,000	3,214,300				
Mexico Tramways	6,000,000					
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b				
Rogers, Wm. A., Com.	750,000	900,999				
Rogers, Wm. A., Pref.	900,000					
Shawinigan L. & P.	6,500,000	4,000,000b				46
Sun & Hastings Savings & Loan Co.	937,000	d 52,000				
Tri-City Railway & Light Co., Com.	9,000,000	2,600,000				
Union Bank of Halifax						
Western Bank of Canada	555,000					
Yukon Loan & Trust Co., Com.						110
	d Debentures	b Bonds				